



ASX Announcement

NAVIGATOR 
GLOBAL INVESTMENTS

1 February 2021

Navigator Global Investments successfully completes the acquisition of a portfolio of strategic investments from funds managed by Dyal Capital Partners

Highlights

- Largest acquisition by Navigator.
- Each business within the acquired Portfolio has a long-term track record of generating strong returns, managing expenses and making cash distributions to partners.
- The transaction creates an ongoing partnership with Dyal Capital Partners and has the potential to broaden Navigator's access to a variety of future accretive, organic and inorganic growth opportunities. Dyal Capital Partners is the leading provider of capital to alternative investment management companies globally with over 50 partnerships (inclusive of 6 in the acquired portfolio) and over \$23 billion of committed capital.
- The transaction broadens Navigator's shareholder base and presents an opportunity to improve long term liquidity in Navigator Shares.

Navigator Global Investments Limited ('Navigator' or 'the Company') is pleased to advise that it has today successfully completed the acquisition of six minority ownership interests in leading established alternative asset managers ('the Portfolio') from investment funds managed by Dyal Capital Partners ('Dyal'), a division of Neuberger Berman.

Navigator has today issued the Dyal funds 40,524,306 ordinary shares in the Company (representing approximately 19.99% of ordinary shares on issue) (**Share Consideration**) and convertible notes convertible into 67,574,292 ordinary shares in the Company (**Note Consideration**). The issue of the Share Consideration and Note Consideration will result in a 40% interest in the Company on a fully diluted basis.

In return, Navigator will be entitled to receive the first \$17.0 million of cash distributions annually (indexed at 3.0% per annum and subject to a cumulative catch-up mechanism), plus 20% of any cash distributions in excess of this amount (the Dyal funds will be entitled to the remaining 80% of any excess cash distributions).



Following 2025, Navigator will acquire the remainder of the cash distributions for a single redemption payment linked to the Portfolio's financial performance over that time, based on a fixed formula. Navigator expects it will be able to fund this payment through retained earnings.

As part of a new strategic focus on growth for the Navigator Group, the Portfolio will be housed separately to Navigator's existing investment in the Lighthouse business, and as such will be independent of that operating business.

Navigator Chairman Michael Shepherd said, "This transaction results in a larger Navigator group with a more diversified earnings profile. Continued growth through strategic acquisition remains a key focus and we have preserved a strong balance sheet to pursue additional opportunities."

Under the terms of the shareholders' agreement entered into by the Company and the Dyal funds, Dyal will hold a majority of their Share Consideration and Note Consideration for at least five years post-closing. Mr. Shepherd further noted, "We are excited to welcome Dyal as a partner. They have proven themselves as the market leader in partnering with alternative asset managers globally and we welcome their expertise as we evolve the Company over time."

Michael Rees, Head of Dyal Capital, said, "Dyal looks forward to an ongoing involvement with Navigator as a significant investor in the Company. We are happy that these six managers will remain part of the Dyal ecosystem and view our indirect interest in the Lighthouse business as an attractive addition which will contribute positively to our investment in the years to come."

Authorised by: Board of Directors

This document has been prepared by Navigator Global Investments Limited (NGI) for release to the Australian Securities Exchange and is not intended for distribution to, or use by, any person in any jurisdiction where such distribution or use is prohibited by law or regulation. This information is neither an offer to sell nor a solicitation of an offer to purchase any securities. Such an offer will only be made to qualified purchasers by means of a confidential private placement memorandum or related subscription documents.

For queries, please contact:

Amber Stoney, Chief Financial Officer & Company Secretary
07 3218 6200