Navigator Global Investments Limited (ASX:NGI)

ASX Appendix 4D

For the year ended 31 December 2023

Results for announcement to the market

Amounts in USD'000

Results in brief (all comparisons to the six months ended 31 December 2022)				**31 December 2023**
Revenue from ordinary activities	Up	54%	to	**105,899**
Earnings before interest, tax, depreciation and amortisation	Down	94%	to	**1,543**
Adjusted Earnings before interest, tax, depreciation and amortisation[1]	Up	67%	to	**35,309**
Loss from ordinary activities after tax attributable to members	Down	174%	to	**(10,954)**
Net loss for the period attributable to members	Down	174%	to	**(10,954)**

The loss from ordinary activities is impacted by a non-recurring $34.7 million, increase to the carrying value of the redemption liability, which was settled subsequent period end on 3 January 2024. This transaction to settle the redemption liability and acquire the remaining ownership in the Strategic Portfolio of investments ('the Portfolio") was approved by shareholders in October 2023, and will result in the Group receiving additional earnings from the Portfolio in FY24 and FY25.

	31 December 2023			**cents**
Basic earnings per share (cents) – statutory basis (based on the weighted average number of shares on issue over the period)	Down	172%	to	**(4.50)**

[1] Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-IFRS financial information and is not subject to audit procedures, and does not represent profit in accordance with Australian Accounting Standards. This measure is intended to show the Group's performance before the impact of non-operating items such as unrealised changes in fair value of financial assets and liabilities and non-recurring items. Refer to table on page 2 for reconciliation of EBITDA to adjusted EBITDA results.

Dividends	**Amount per ordinary share**	**Franked %**	**Conduit foreign income %**
Final 2023 dividend per share (paid 6 October 2023)	US 3.0 cents	0%	100%

Dividend Policy

The Company dividend policy is to pay a final dividend of US 3 – 4 cents per share which will be unfranked but may have conduit foreign income credits attached. The payment of dividends will be subject to customary corporate, legal and regulatory considerations. This policy allows the NGI Group to continue directing a significant portion of cash generated from operations toward supporting the continued growth of the business.

The Board will continue to review the dividend policy in respect of the Group's future cash flow commitments and requirements. The payment of dividends will be subject to corporate, legal and regulatory considerations. A dividend reinvestment plan does not operate in respect to dividends of the Company.

Net tangible assets	**31 December 2023**	31 December 2022
Per ordinary share	USD 119.98 cents	USD 119.67 cents

Net tangible assets include the Group's right-of-use asset recognised under AASB 16 Leases.

Details of joint ventures and associates	**31 December 2023**	31 December 2022
Longreach Alternatives Ltd	34.06%	34.06%
GROW Investment Group	5.84%	5.84%

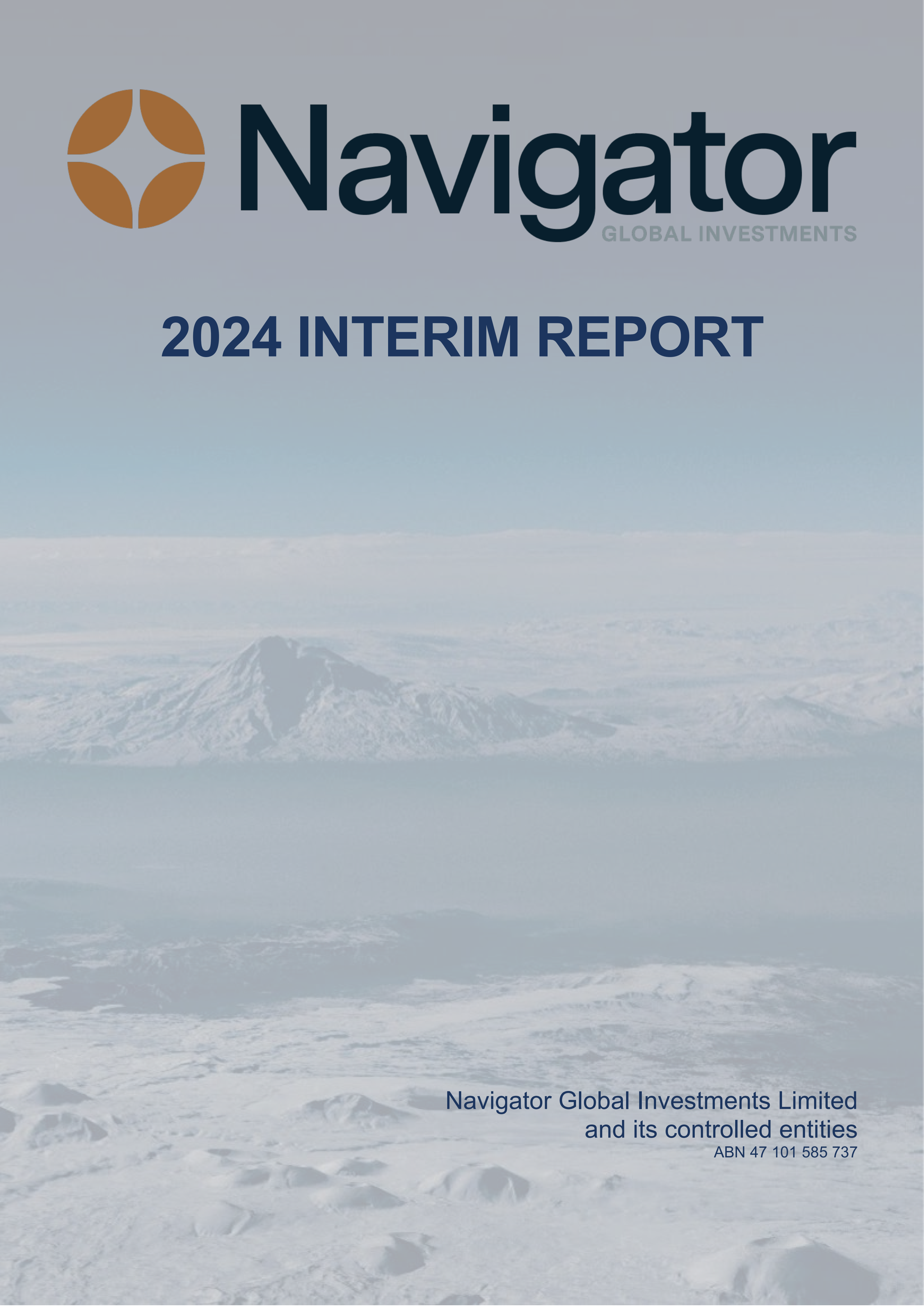
Results for announcement to the market (continued)

Reconciliation to Adjusted EBITDA [1]	31 December 2023	31 December 2022
	Amounts in USD'000	
Earnings before interest, tax, depreciation and amortisation	**1,543**	**24,214**
Additional cash payments made for office leases (net)	(1,935)	(1,485)
Unrealised changes in fair value of assets and liabilities	33,260	(2,108)
Non-recurring transaction costs and debt restructuring expenses & advice	2,107	-
Equity settled share based payments	334	574
Adjusted Earnings before interest, tax, depreciation and amortisation[1]	**35,309**	**21,195**

[1] Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) is non-IFRS financial information and is not subject to audit procedures, and does not represent profit in accordance with Australian Accounting Standards. This measure is intended to show the Group's performance before the impact of non-operating items such as unrealised changes in fair value of financial assets and liabilities and non-recurring items.

Additional Appendix 4D requirements can be found in the Directors' Report and the 31 December 2023 Interim Report and accompanying notes.

This report is based on the 31 December 2023 Interim Report (which includes consolidated financial statements reviewed by Ernst & Young).



Navigator
GLOBAL INVESTMENTS

2024 INTERIM REPORT

Navigator Global Investments Limited
and its controlled entities
ABN 47 101 585 737

Securities Exchange Listing

Navigator Global Investments Limited
shares are listed on the Australian Securities Exchange
(ASX Code: NGI)

Website

www.navigatorglobal.com.au

Directors

Michael Shepherd
Nicola Meaden Grenham
Suvan de Soysa
Lindsay Wright (appointed 7 November 2023)
Cathy Hales (resigned 30 October 2023)
Sean McGould
Stephen Darke (appointed 30 October 2023)

Company Secretary

Amber Stoney

Registered Office

Level 21, 10 Eagle Street
Brisbane QLD 4000

Principal Office

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Toowong QLD 4066
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Share Registrar

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Sydney NSW 2000
Locked Bag A14
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Auditor

Ernst & Young
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Brisbane QLD 4000

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Unless otherwise indicated, the numbers in this interim report have been presented in US Dollars (USD)

2024 Interim Snapshot

USD 35.3 million AUD 54.1 million[2]	Adjusted EBITDA[1] ▲ 67% on pcp
48%	Adjusted EBITDA margin ▲ 26% on pcp
USD 73.9 billion AUD 108.1 billion	Firm Level AUM[3] ▲ 16% on pcp
USD 26.1 billion AUD 38.1 billion	Ownership-adjusted AUM[4] ▲ 10% on pcp

Notes

1. This is an unaudited non-IFRS measure and is intended to show the Group's core operating performance. Refer to page 9 for further details
2. AUD Adjusted EBITDA is converted at an average AUD:USD exchange rate for the 6 months to 31 December 2023 of 0.6526.
3. Firm level AUM represents the aggregate AUM of all partner firms without adjusting for NGI's level of ownership in each firm
4. Ownership-adjusted AUM represents the sum of Navigator's proportional ownership applied to each partner firm's AUM

DIRECTORS' REPORT

The Directors present their report together with the financial statements of the Group comprising Navigator Global Investments Limited ('Navigator' or 'the Company') and its subsidiaries for the six months ended 31 December 2023 and the auditor's review report thereon.

Navigator is dedicated to partnering with well established alternative investment firms globally

Navigator Global Investments Limited has executed a strategy to partner with a range of diversified alternative asset management companies, who operate institutional quality businesses globally,selecting partners who are well-established, scaled alternative asset managers, and that are diversified across investment style, product type and client base. These partnerships complement the provision of investment mangement products and services to investors globally through wholly-owned subsidiary Lighthouse Investment Partners, LLC.

Our diversified portfolio has delivered strong earnings in the first half of the 2024 financial year, validating our approach of leveraging our investing and operating expertise to identify and partner with leading alternative investment managers who meet our key criteria, designed to mitigate many of the risks inherent in the asset management sector, therefore positioning Navigator for sustainable growth over time:

Established

Scaled operations which have been tested over market cycles

Diversified

Uncorrelated strategies and multi-product businesses

Global

Investing and operating presence across the globe

Established

Shared philosophy and operating autonomy

Navigator operates a business which is broader and more diversified than ever before. Our performance is driven by high quality earnings diversified across product, client type, geography and positioned with the financial resources and capabilities to drive strong long-term growth. Our focus is on sectors of the asset management industry experiencing strong growth and high barriers to entry.

Navigator provides access to the earnings of a range of high quality alternative asset management firms:

Lighthouse	Hedge Fund Solutons	Lighthouse	**Investment Strategy:** A hedge fund that strategically allocates capital to unaffiliated investment managers and Lighthouse's platform hedge fund strategies. **Investment Services:** Providing managed account services globally to institutional investors with turnkey solutions customised to their needs.
Lighthouse	Hedge Funds	North Rock	**Investment Strategy:** An equity based absolute return strategy with a low correlation to public equity markets.
Lighthouse	Hedge Funds	MissionCrest	**Investment Strategy:** An absolute return strategy with multi-portfolio managers that focuses on macro discretionary and systemic strategies.
NGI Strategic Investments	NGI Strategic Portfolio	Bardin Hill Investment Partners	**Investment Strategy:** Core competencies in public and private credit, collateralized loan obligations, and event-driven equities.
NGI Strategic Investments	NGI Strategic Portfolio	capstone	**Investment Strategy:** A global, alternative investment management firm operating across a broad range of derivatives-based strategies with a deep understanding of volatility.
NGI Strategic Investments	NGI Strategic Portfolio	CFM Insight.Data.Clarity.	**Investment Strategy:** Global quantitative and systematic asset management firm applying a scientific approach to finance.
NGI Strategic Investments	NGI Strategic Portfolio	MKP Capital Management	**Investment Strategy**: Global macro strategy that uses a top-down fundamental approach to identify and exploit economic and financial imbalances in asset markets to produce strong risk adjusted returns.
NGI Strategic Investments	NGI Strategic Portfolio	Pinnacle Asset Management L.P.	**Investment Strategy:** Global commodities specialist platform with exposure to energy, metals and agricultural sectors.
NGI Strategic Investments	NGI Strategic Portfolio	Waterfall Asset Management	**Investment Strategy:** Structured public and private credit strategies across high yield asset-based securities, commercial and residential credit.
NGI Strategic Investments	Private Markets	Marble Capital	**Investment Strategy**: US based asset manager specialising closed-ended private equity style funds which provide capital solutions for high quality multifamily developers and operators in markets experiencing population growth and undersupply of housing.
NGI Strategic Investments	Private Markets	Invictus Capital Partners	**Investment Strategy**: US based asset manager specialising in opportunistic credit strategies across the spectrum of real estate debt investments, including high-yielding and distressed bonds and loans.
NGI Strategic Investments		Longreach Alternatives	**Investment Strategy**: Australian based asset manager specialising in a variety of alternative asset classes such as private credit, eenergy, sustainable seafood and quantitative market neutral equities.
NGI Strategic Investments		Grow Investment Group	**Investment Strategy**: A China based multi strategy multi asset management company whose goal is to capitalise on opportunities in the Chinese asset management industry and the continued evolution of China's markets.

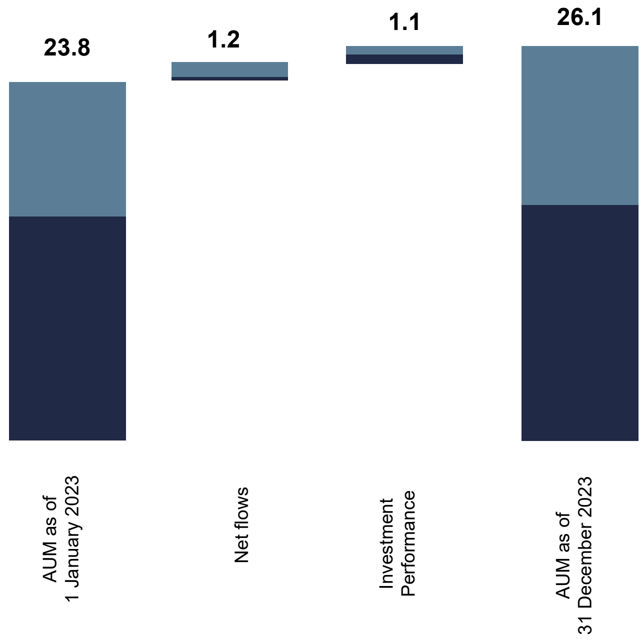
Review of Operations

AUM

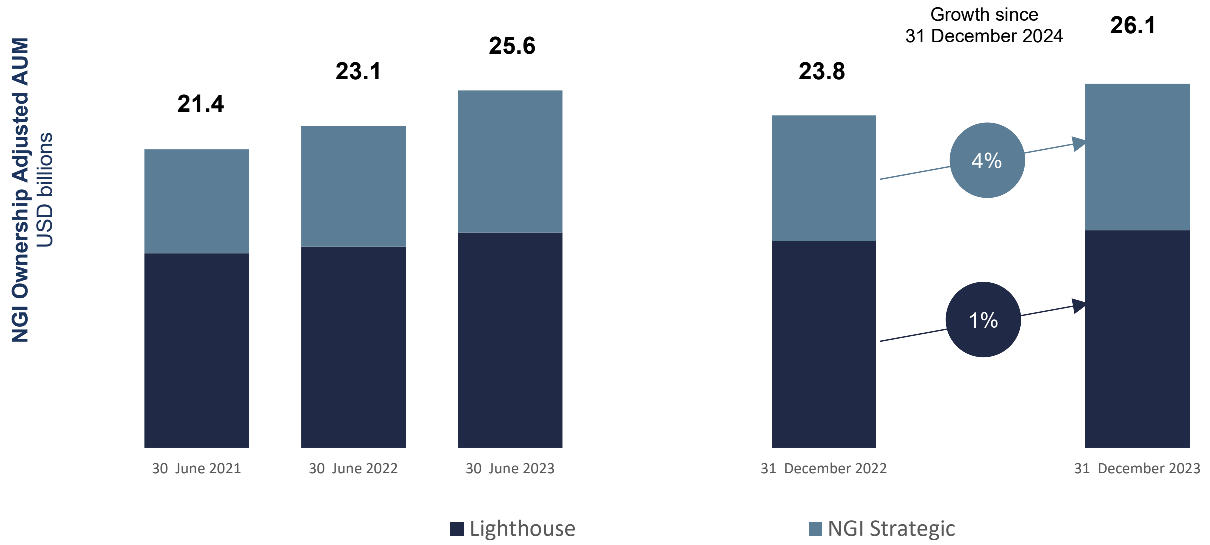
- $26.1 billion of ownership-adjusted AUM as at 31 December 2023
- an increase of $2.3 billion or 10% since 31 December 2022

The increase to ownership-adjusted AUM over the 2023 calendar year has been driven by both net inflows and investment performance. Below summarises the movement in AUM for the period based on latest information to the date of this report:

	AUM as of 1 Jan 2023	Net Inflows	Investment Performance	AUM as of 31 December 2023	12 month AUM Growth (%)
NGI Strategic	9.0	1.0	0.5	10.5	17%
Lighthouse	14.8	0.2	0.6	15.6	5%
Total	**23.8**	**1.2**	**1.1**	**26.1**	**10%**



The below reflects a trend of ownership-adjusted AUM growth over the past three years.



NGI Strategic

- $22.4m of distribution income received during the half
- early settlement of the Redemption Liability to acquire the remaining interests in the NGI Strategic Portfolio

NGI Strategic Investments had a strong half in terms of cash receipts, with $22.4 million of distribution income received, an increase of $11.9 million on the prior comparative period.

Distributions from the six managers which comprise the NGI Strategic Portfolio was $15.4 million (pcp : $7.5 million). The timing of distributions from the managers varies from year to year and is at the discretion of the individual managers. Whilst first half year distributions received are much higher this year, the Company expects a lower amount of distributions will be received in the second half.

Distributions received from Private Markets Partner Firms was $7.0 million (pcp: $3.0 million). The increase in distributions is due to the receipt of realised carried interest profits distributed by the managers.

The significant increase to distribution income grew NGI Strategic’s results from operating activities to $20.2 million, up on the prior period.

Early settlement of the 2026 Redemption Liability

Over the course of the first half of this financial year, the Company progressed a significant transaction which saw it acquire the remaining interests in the six NGI Strategic Portfolio managers. Under the terms of the transaction, Navigator early settled its existing 2026 obligation with its major strategic shareholder, GP Strategic Capital (“GPSC”, a platform of Blue Owl (NYSE: OWL) to acquire these remaining interests for agreed consideration of $200 million. The transaction delivers the full earnings of the NGI Strategic Portfolio two years earlier than under the previous deal terms.

The transaction was announced in June 2023 and received strong support from shareholders, with 95% of votes cast at the Annual General Meeting held on 27 October 2023 in favour of the transaction. Once all required regulatory approvals were obtained, the Company launched an entitlement offer on 5 December 2023 to raise cash to partially settle the transaction.

Shares were allotted under the Entitlement offer on 3 January 2024, and consequently Navigator settled the $200 million consideration through:

- The issue of 48,099,151 fully paid Navigator ordinary shares through a Rights Issue and Noteholder Offer to GPSC completed allotted on 3 January 2024;
- The issue of 129,712,902 Shares at A$1.40 per Share issued under a Share Placement to GPSC; and
- Payment of US$48.0 million in cash of which approximately 93% was raised through the Entitlement offer to non-GPSC Affiliates.

As a result of the above, GPSC Affiliates’ will have a relevant interest of 46.3% in the Company and a 52.2% economic interest in the Company.

Lighthouse

- 13% increase in management fee revenue compared to the prior comparative period
- Average management fee rate at 0.54%pa for the period (pcp: 0.51%pa)

Lighthouse's management fee revenue increased by 13% over the same period as prior financial year. The primary driver was material AUM growth in the hedge fund business, particularly in one of the core strategies which has scaled meaningfully over past several years. Lighthouse has raised almost $2 billion in the past two years, across various client channels globally, and including new clients across the institutional and high net worth channels.

Lighthouse has also had success with client retention with its legacy strategies. AUM has remained relatively flat over the last two year period, however Lighthouse has maintained positive relationships with clients associated with that business and continues to focus efforts to deliver even greater value across the firm to those relationships.

Performance fee revenue has increased by 3% on the prior comparative period. Although performance was more challenging across some key strategies relative to previous calendar years, performance fee revenue was consistent with the first half of the 2023 financial year due to growth across some hedge fund strategies and positive performance in certain strategies in our legacy solutions business which are subject to performance fees. Market volatility has contributed to a range of performance outcomes across our various strategies:

Equity products:	Equity products generated overall positive returns against a shifting backdrop, however the results were lower than expectations. The combination of an overall defensive positioning for portions of the year and subdued market volatility worked against meeting the return objectives for these products. Despite this, the majority of the Portfolio Manager teams were profitable for the 2023 calendar year, and protected well against downside risk.
Multi-strategy products:	The multi-strategy products generated moderate gains in the December 2023 quarter, and modest single digit returns for calendar year 2023. The products protected capital in October 2023, when both equity and bond markets sold off in light of persistent inflation data at the time, and generated gains in both November 2023 and December 2023 when markets recovered quickly. These strategies were positive for the December 2023 quarter, with long/short equity and relative value strategies leading the way.
Macro strategy products:	The persistence and ongoing nature of price reversals was a material performance headwind to the macro strategy in calendar year 2023. The severe reversal across global bond markets in March 2023 was ultimately the primary driver of losses across discretionary fundamental strategies over calendar year 2023. In Lighthouse's systematic strategies, losses were not limited to a specific period, but rather the continued occurrence of intraday price reversals across many of the most liquid futures markets ultimately resulted in losses steadily building over the course of the year. Gains across discretionary convexity and liquidity provisioning strategies helped to partially offset losses. Since December 2023 there has been a stabilisation in the daily performance of our macro strategies.

Lighthouse continues its business transformation towards hedge fund strategies, which has resulted in growth in management fees from successful fundraising. As the business continues to evolve, we expect the proportion of AUM in Hedge Funds to continue to increase, enhancing potential future upside in performance fee revenues.

In addition, Lighthouse has repositioned its value-added managed account service capabilities to align towards driving deeper strategic partnerships with a limited set of clients with meaningful scale who are likewise focused on a deeper engagement. This service is focused on driving collaboration and alignment with clients to structure investments around our scaled hedge fund strategies, niche strategies, customized exposures, and other potential opportunities for growth.

Navigator Group results

Adjusted EBITDA

- $35.3m, an increase of 67% on the prior comparative period
- Revenue was the key driver, with increased distribution income received in the first half and a $4m increase in Lighthouse management fees

Presentation of the Group's results is an unaudited non-IFRS measure intended to show the Group's core operating performance before the impact of depreciation, amortisation, non-operating items such as net interest income/costs and non-recurring items. Net profit before and after income tax reconciles to the income statement on page 16.

	Consolidated USD'000		
	31 December 2023	31 December 2022	Increase / (decrease)
Management fee revenue	41.9	37.0	13%
Performance fee revenue	6.3	6.1	3%
Revenue from reimbursement of fund operating expenses	54.3	23.7	129%
Net distributions from strategic investments	22.4	10.5	113%
Other revenue & income	3.7	2.5	48%
Total revenue & income	**128.6**	**79.8**	61%
Employee expense (excludes redundancies)	(27.5)	(26.1)	5%
Reimbursable fund operating expenses	(53.1)	(23.7)	124%
Other operating expenses[1]	(8.9)	(7.7)	16%
Total operating expenses[1]	**(89.5)**	**(57.5)**	56%
Result from operating activities[1]	**39.1**	**22.3**	75%
Net finance income/(costs) excluding interest	(33.4)	2.0	(1,770%)
Non-operating expenses	(4.2)	(0.1)	4,100%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1.5**	**24.2**	**(94%)**
EBITDA per share	0.6 cents	10.3 cents	
Net interest expense	(2.7)	(2.2)	23%
Depreciation and amortisation	(3.5)	(2.5)	40%
Profit before income tax	(4.7)	19.5	(124%)
Income tax expense	(6.3)	(4.7)	34%
Net profit after income tax	(11.0)	14.8	(174%)
Adjustments (unaudited)			
EBITDA	1.5	24.2	(94%)
1 Net cash payments made for office leases	(1.9)	(1.5)	27%
2 Unrealised changes in fair value of assets and liabilities	33.3	(2.1)	1,686%
3 Transaction costs	2.1	-	100%
Equity settled share based payments	0.3	0.6	(50%)
Adjusted EBITDA (unaudited, non-IFRS measure)	**35.3**	**21.2**	**67%**

[1] Excludes interest, depreciation and amortisation so as to present the Group's core operating activities.

1 Net cash lease payments made during the year are adjusted against EBITDA so that it represents a closer measure of the annual cash operating cost associated with the Group's various office premises leases following adoption of AASB 16 *Leases*.

2 Add back of unrealised gains and losses associated with financial assets and liabilities measured at fair value through profit and loss primarily relate to NGI Strategic Portfolio investments and the associated redemption liability.

3 Transaction costs incurred to date associated with the impending transaction to early settle the 2026 redemption payment.

Strengthened and focused executive team

In October 2023 Navigator welcomed Mr Stephen Darke as Chief Executive Officer and an executive director of the Navigator Board. Mr Darke has an extensive background in the alternative asset management sector, and being based in Sydney, increases Navigator's presence in Australia to proactively engage with our key stakeholders.

Mr Darke's appointment allows Mr Sean McGould, who was Chief Executive Officer of both Navigator and its wholly-owned operating business, Lighthouse Partners, to refocus his role around the continued evolution and expansion of the Lighthouse business. As Lighthouse's Hedge Funds products continue to scale up, there is enormous opportunity to continue to leverage this success. Mr McGould remains engaged in the broader Navigator business as a significant shareholder in and executive director of the Company.

Mr Ross Zachary was also appointed as NGI Chief Investment Officer and Head of NGI Strategic Investments in October 2023. Mr Zachary has been with Navigator since 2016 and has been instrumental in the Company identifying and executing what have been transformative transactions.

With the depth and experience of the Navigator leadership team, the Company is well placed to execute on its strategy for continued diversification and growth from investing in high quality partnership firms which specialise in various important sectors of the alternative asset management space.

Board of Directors

The Directors of the Company at any time during the interim period and up to the date of this report are as follows:

Director Name	Position	Term
Michael Shepherd	Chairman & Non-executive Director	Appointed 16 December 2009
Sean McGould	Executive Director & Lighthouse Chief Executive Officer	Appointed 3 January 2008
Nicola Grenham	Non-executive Director	Appointed 8 October 2020
Suvan de Soysa	Non-executive Director & Audit Committee Chair	Appointed 22 September 2021
Cathy Hales	Non-executive Director	Appointed 22 March 2022 Resigned 30 October 2023
Lindsay Wright	Non-executive Director	Appointed 7 November 2023
Stephen Darke	Executive Director & NGI Chief Executive Officer (CEO)	Appointed 30 October 2023

Ms Amber Stoney BCom (Hons) CA holds the position of company secretary. Ms Stoney has held this position for much of her tenure at Navigator, specifically for the periods 15 March 2007 to 20 November 2008, 18 July 2011 to 9 May 2016 and from 27 June 2016 to the present. Ms Stoney is also the Chief Financial Officer of Navigator.

Principal activities

The Group's strategy is to invest in a range of diversified alternative asset management companies, through partnering with leading management teams who operate institutional quality businesses globally. The minority interest investments held complement the provision of investment management products and services to investors globally through wholly owned subsidiary Lighthouse Investment Partners, LLC.

Significant changes in state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Group that occurred during the financial period not otherwise disclosed in this financial report.

Dividends

The Company dividend policy is to pay a final dividend of US 3 – 4 cents per share which will be unfranked but may have conduit foreign income credits attached. The payment of dividends will be subject to customary corporate, legal and regulatory considerations. This policy allows the NGI Group to continue directing a significant portion of cash generated from operations toward supporting the continued growth of the business.

The Board will continue to review the dividend policy in respect of the Group's future cash flow commitments and requirements.

Outlook

The Group's Adjusted EBITDA for the half-year was $35.3 million, a 67% improvement on the prior comparative period. The key driver of this improved performance was earlier receipt of distributions from the NGI Strategic Portfolio investments, as well as receipt of some carried interest proceeds from the Group's specialist private market investments.

The NGI Strategic business continues to be a key driver of growth, with the Company receiving strong cash flows for the half. At an aggregate level our partner firms have continued to deliver AUM growth, through both net flows and performance, which will continue to grow a diversified and resilient income stream. Calendar years 2021 and 2022 were exceptionally strong years in terms of the levels of distributions paid by the combined managers, and whilst we do not expect calendar year 2023 to be as strong as these past 2 years, we do expect it to deliver at or above long-term average distribution levels.

Lighthouse showed growth in management fees, reflecting continued steady growth of its assets under management. We are pleased with the current level of interest in our North Rock and Mission Crest hedge fund products, and see these as the key growth drivers for the Lighthouse business.

The early settlement of the FY26 Redemption Liability, which significantly improves the net asset position of the Company and which is expected to deliver additional cash flows to the Navigator Group, places the Company in a strong position make additional investments in new partner firms in the short to medium term should attractive opportunities be identified.

Events subsequent to end of financial period

Accelerated settlement of the redemption liability

On 3 January 2024, the Group settled a transaction with certain affiliates of GP Strategic Capital (formerly known as Dyal Capital)("GP Strategic Affiliates"), a platform of Blue Owl (NYSE: OWL) regarding the accelerated acquisition of incremental profit distributions and settlement of the 2026 redemption liability for total consideration of $200 million.

This will result in:

a) Cancellation of the scheduled redemption payment in CY26 (currently recorded as a current liability on the Group's balance sheet (Note 11(a))) to acquire GP Strategic Capital Affiliates' share of profit distributions from the NGI Strategic Portfolio; and

b) Acquire GP Strategic Capital Affiliates' share of profit distributions from the NGI Strategic Portfolio with effect from 1 July 2023. This will entitle the Group to 100% of distributions received from the portfolio with no corresponding payable to non-controlling interest such as that in current trade and other payables.

Consideration for the acquisition has been funded through:

- The issue of 48,099,151 fully paid Navigator ordinary shares through a Rights Issue and Noteholder Offer completed allotted on 3 January 2024;
- The issue of 129,712,902 Shares at A$1.40 per Share issued under a Share Placement; and
- Payment of US$48.0 million in cash of which approximately 93% was raised through the Entitlement offer to non-GP Strategic Affiliates.

As a result of the above, GP Strategic Capital Affiliates' will have a relevant interest of 46.3% in the Company and a 52.2% economic interest in the Company.

The expected impact on the profit and loss subsequent to period end will be an expense of approximately $2.6 million for transaction costs contingent upon settlement.

Increase in the line of credit available to the Group

On 16 February 2024, the Group entered into a new credit agreement with its current lender, BMO Harris Bank N.A. ('BMO'), for a new 5 year senior, secured credit facility of $100 million capacity. This increase in capacity of $30 million available provides the Group with flexible financing to maximise shareholder returns and to fund outstanding deferred consideration in relation to the Marble Capital and Invictus Capital acquisitions.

The new facility matures on in February 2029 and therefore also extends the availability of funding by approximately 3.6 years in comparison to the prior three year facility which was due to mature on 30 June 2025.

Other than the above matters, there has not arisen in the interval between the end of the reporting period and the date of signing this report, any item, transaction or event of a material nature, likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Indemnification and insurance

The Company has a Deed of Indemnity, Insurance and Access in place with each of the Directors ('the Deeds'). Pursuant to the Deeds, the Company indemnifies each Director to the extent permitted by law for losses and liabilities incurred by the Director as an officer of the Company or of a subsidiary. This indemnity is in place for a 7 year period from the cessation of directorship.

In addition, the Company will advance reasonable costs incurred or expected to be incurred by the Director in defending relevant proceedings on terms determined by the Board. No such advances were made during the financial period.

During the period, the Group paid insurance premiums to insure the Directors and Officers of the Company. The terms of the contract prohibit the disclosure of the premiums paid.

Environmental regulation

The Group is not subject to any particular or significant environmental regulation under any Australian Commonwealth, State or Territory legislation.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Auditor

Ernst & Young is the auditor of the Group in accordance with section 327 of the *Corporations Act 2001*.

Indemnification

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount).

No payment has been made to indemnify Ernst & Young Australia during or since the end of the financial year.

Auditor's independence declaration

The lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13 and forms part of the directors' report for the six months ended 31 December 2023.

This report is made in accordance with a resolution of directors:

Michael Shepherd, AO Chairman and Non-Executive Director	**Suvan de Soysa** Non-Executive Director

Sydney, 22 February 2024

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Auditor's Independence Declaration to the Directors of Navigator Global Investments Limited

As lead auditor for the review of the half-year financial report of Navigator Global Investments Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Navigator Global Investments Limited and the entities it controlled during the financial period.

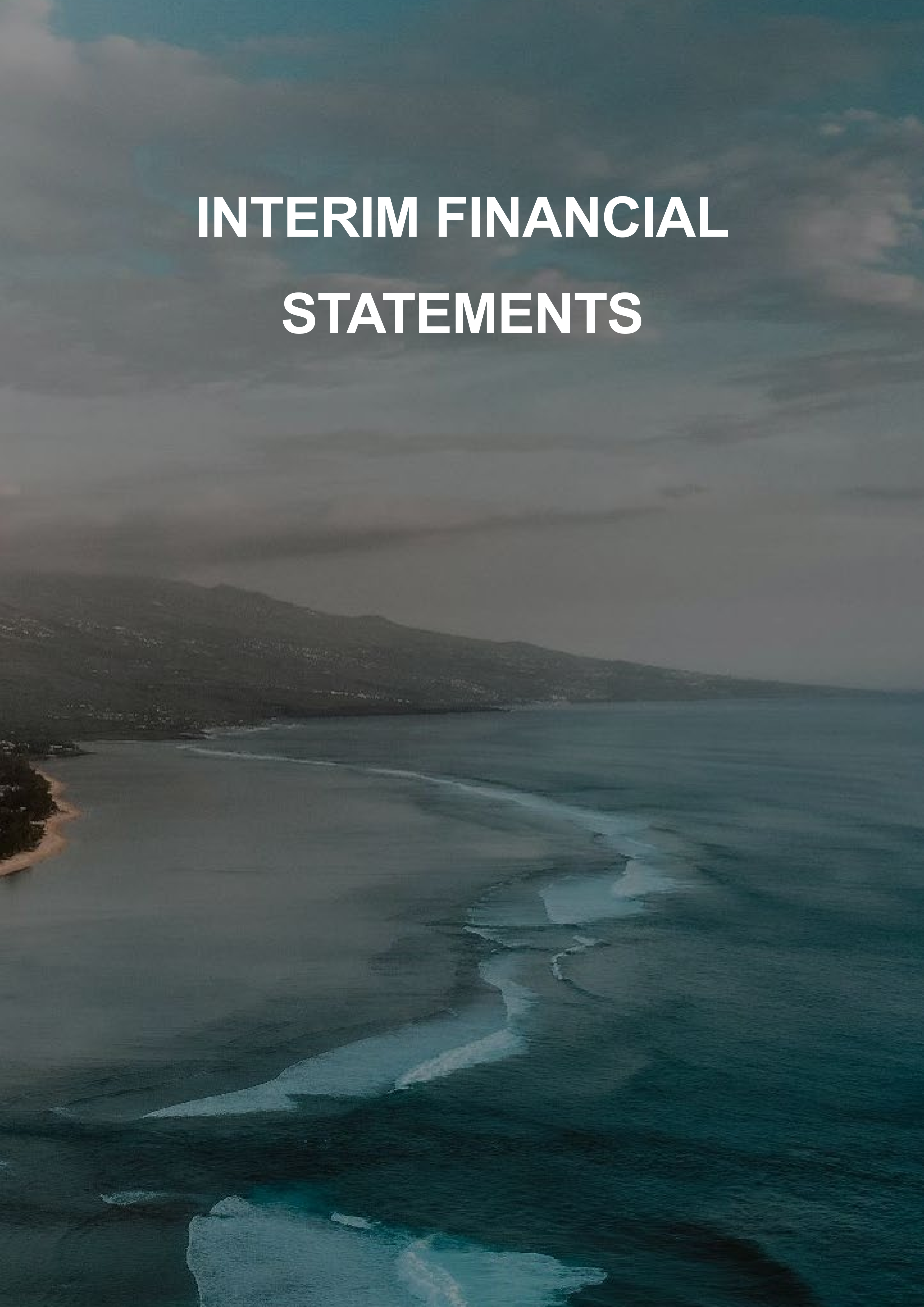
Ernst & Young

Ernst & Young

N. Young

Nathan Young
Partner
22 February 2024

INTERIM FINANCIAL STATEMENTS



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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Group's annual report for the year ended 30 June 2023 and any public announcements made by Navigator Global Investments Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

INCOME STATEMENT

For the six months ended 31 December 2023

		Consolidated USD'000	
	Note	31 December 2023	31 December 2022
Management fee revenue	2(a)	41,906	36,951
Performance fee revenue	2(a)	6,274	6,135
Revenue from reimbursement of fund operating expenses	2(a)	54,330	23,669
Revenue from provision of office space and services	2(a)	3,389	2,029
Total revenue		**105,899**	**68,784**
Other income	2(b)	22,419	10,482
Employee expenses	3(a)	(29,595)	(26,186)
Administration and other general expenses	3(b)	(64,091)	(31,382)
Depreciation and amortisation expense	3(c)	(3,478)	(2,537)
Share of profits / (loss) from joint ventures and associates		296	525
Results from operating activities		**31,450**	**19,686**
Finance income	4(a)	8,893	11,432
Finance costs	4(a)	(44,982)	(11,686)
Profit/(loss) before income tax		**(4,639)**	**19,432**
Income tax expense	5(a)	(6,315)	(4,700)
Profit/(loss) for the period		**(10,954)**	**14,732**
Attributable to equity holders of the parent		**(10,954)**	**14,732**

Earnings per share		Consolidated US cents	
		31 December 2023	31 December 2022
Basic earnings per share	7	(4.50)	6.25
Diluted earnings per share	7	(4.50)	4.82

The accompanying notes form part of these consolidated financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2023

	Note	Consolidated USD'000 31 December 2023	31 December 2022
Profit/(loss) attributable to equity holders of the parent		**(10,954)**	**14,732**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit and loss in subsequent periods:			
Exchange differences on translation of foreign operations		10	(128)
Other comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Change in fair value of financial assets at fair value through other comprehensive income		11,601	(11,567)
Income tax on financial assets at fair value through other comprehensive income		1,857	(163)
Other comprehensive income for the year		**13,468**	**(11,858)**
Total comprehensive income for the year, net of tax		**2,514**	**2,874**
Attributable to equity holders of the parent		**2,514**	**2,874**

The accompanying notes form part of these consolidated financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	Consolidated USD'000 31 December 2023	30 June 2023
Assets			
Cash		64,606	67,818
Trade receivables and other assets		31,819	24,382
Current tax assets	5(b)	826	93
Total current assets		**97,251**	**92,293**
Investments at fair value	9	517,417	495,918
Investment in joint ventures and associates		14,058	13,897
Plant and equipment		10,586	10,162
Right-of-use assets		18,235	19,766
Deferred tax assets	5(c)	25,355	28,653
Intangible assets		97,639	96,308
Other non-current assets		5,756	5,928
Total non-current assets		**689,046**	**670,632**
Total assets		**786,297**	**762,925**
Liabilities			
Trade and other payables	10	9,344	40,627
Lease liabilities		4,000	3,595
Employee benefits		15,352	3,011
Current tax liabilities	5(b)	866	1,487
Other financial liabilities	11	286,045	97,938
Total current liabilities		**315,607**	**146,658**
Trade and other payables	10	361	350
Lease liabilities		21,217	23,127
Employee benefits		14	9
Deferred tax liabilities	5(c)	862	-
Other financial liabilities	11	32,869	171,243
Total non-current liabilities		**55,323**	**194,729**
Total liabilities		**370,930**	**341,387**
Net assets		**415,367**	**421,538**
Equity			
Share capital	12	368,165	368,165
Non-share capital	12(b)	87,824	87,824
Reserves		78,760	45,389
Accumulated losses		(119,382)	(79,840)
Total equity attributable to equity holders of the parent		**415,367**	**421,538**

The accompanying notes form part of these consolidated financial statements

STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2023

		Consolidated USD'000							
		Amounts attributable to equity holders of the parent							
	Note	Share Capital	Non-share Capital	Share Based Payments Reserve	Fair Value Reserve	Translation Reserve	Parent Entity Profits Reserve	Accumulated Losses	Total Equity
Balance at 1 July 2023		**368,165**	**87,824**	**14,165**	**(19,885)**	**89**	**51,020**	**(79,840)**	**421,538**
Net loss for the period		-	-	-	-	-	-	(10,954)	**(10,954)**
Transfer to parent entity profits reserve[1]		-	-	-	-	-	28,583	(28,583)	**-**
Other comprehensive income									
Foreign Currency translation differences, net of tax		-	-	-	-	10	-	-	**10**
Net change in fair value of financial assets at fair value through other comprehensive income		-	-	-	11,601	-	-	-	**11,601**
Income tax on other comprehensive income		-	-	-	1,862	-	-	(5)	**1,857**
Total other comprehensive income, net of tax		-	-	-	13,463	10	-	(5)	**13,468**
Total comprehensive income/(loss) for the year, net of tax		**-**	**-**	**-**	**13,463**	**10**	**28,583**	**(39,542)**	**2,514**
Share based payments	3(a)	-	-	334	-	-	-	-	**334**
Dividends to equity holders	6	-	-	-	-	-	(9,019)	-	**(9,019)**
Total transactions with owners		**-**	**-**	**334**	**-**	**-**	**(9,019)**	**-**	**(8,685)**
Balance at 31 December 2023		**368,165**	**87,824**	**14,499**	**(6,422)**	**99**	**70,584**	**(119,382)**	**415,367**

[1] Relates to the net profit of the parent entity (Navigator Global Investments Limited).

The accompanying notes form part of these consolidated financial statements

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 31 December 2023

		Consolidated USD'000							
		Amounts attributable to equity holders of the parent							
	Note	Share Capital	Non-share Capital	Share Based Payments Reserve	Fair Value Reserve	Translation Reserve	Parent Entity Profits Reserve	Accumulated Losses	Total Equity
Balance at 1 July 2022		**356,186**	**99,818**	**13,326**	**(1,758)**	**414**	**29,897**	**(84,366)**	**413,517**
Net profit for the period		-	-	-	-	-	-	14,732	**14,732**
Transfer to parent entity profits reserve[1]		-	-	-	-	-	13,861	(13,861)	**-**
Other comprehensive income									
Foreign Currency translation differences, net of tax		-	-	-	-	(128)	-	-	**(128)**
Net change in fair value of financial assets at fair value through other comprehensive income		-	-	-	(10,711)	-	-	(856)	**(11,567)**
Income tax on other comprehensive income		-	-	-	(181)	-	-	18	**(163)**
Total other comprehensive loss, net of tax		-	-	-	(10,892)	(128)	-	(838)	**(11,858)**
Total comprehensive income for the year, net of tax		**-**	**-**	**-**	**(10,892)**	**(128)**	**13,861**	**33**	**2,874**
Share-based payments	3(a)	-	-	574	-	-	-	-	**574**
Dividends to equity holders	6	-	-	-	-	-	(9,004)	-	**(9,004)**
Total transactions with owners		**-**	**-**	**574**	**-**	**-**	**(9,004)**	**-**	**(8,430)**
Balance at 31 December 2022		**356,186**	**99,818**	**13,900**	**(12,650)**	**286**	**34,754**	**(84,333)**	**407,961**

[1] Relates to the net profit of the parent entity (Navigator Global Investments Limited).

The accompanying notes form part of these consolidated financial statements

STATEMENT OF CASH FLOWS

For the six months ended 31 December 2023

	Note	Consolidated USD'000 31 December 2023	31 December 2022
Cash flows from operating activities			
Cash receipts from operating activities		99,650	63,464
Cash paid to suppliers and employees		(78,140)	(43,721)
Cash generated from operations		21,510	19,743
Distributions received from investments		22,419	10,482
Profit share payment to non-controlling interests		(34,545)	(42,483)
Bank interest received		486	100
Lease interest received		105	120
Lease interest paid		(399)	(516)
Income taxes paid		(1,653)	(1,741)
Net cash from/(used in) operating activities		**7,923**	**(14,295)**
Cash flows from investing activities			
Capital expenditure on plant and equipment & internally developed software intangibles		(3,437)	(3,600)
Acquisition of product investments		(1,600)	(50)
Acquisition of equity investments (including deferred consideration paid)		(15,000)	(44,750)
Dividends received from/ (investments in) joint ventures and associates		147	127
Transaction cost associated with Redemption liability extinguishment		(1,902)	-
Transaction cost associated with acquisitions		-	(1,970)
Payment of security deposits		(195)	(276)
Distributions from external managed entities		1	-
Net cash used in investing activities		**(21,986)**	**(50,519)**
Cash flows from financing activities			
Proceeds from borrowings		36,000	30,000
Repayment of borrowings & associated fees		(14,500)	(597)
Lease payments received from finance leases		245	268
Payment of principal portion of lease liabilities		(1,886)	(1,358)
Dividends paid to equity holders	6	(9,019)	(9,004)
Net cash from financing activities		**10,840**	**19,309**
Net (decrease)/increase in cash		**(3,223)**	**(45,505)**
Cash balance at 1 July		67,818	94,041
Effect of exchange rate fluctuations on cash balances held in foreign currencies		11	(135)
Cash balance as at 31 December		**64,606**	**48,401**

The accompanying notes form part of these consolidated financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

1. Operating segments

The Group has two reportable segments and are unchanged from the prior reporting period:

- Lighthouse Group, which operates as a global absolute return funds manager for investment vehicles; and
- NGI Strategic Group, holds several strategic investments on a minority basis. Including the NGI Strategic Portfolio, Marble Capital and Invictus Capital investments.

No operating segments have been aggregated to form the above reportable operating segments.

The 'All other segments' category includes the parent entity, investments in joint ventures & associates and adjustments to eliminate on consolidation. Individually these are not considered a reporting segment.

The CEO is responsible for day-to-day operations and the implementation of the Group's business strategy. Internal management reports are provided to the CEO on a monthly basis including separate analysis for the Lighthouse, NGI Strategic & NGI Parent divisions to monitor the operating results of its business for the purpose of making decisions about resource allocation and performance assessment.

Divisional performance is evaluated based on the financial information as set out below, as well as other key metrics such as Assets under Management and the average management fee rate.

USD'000	Reportable Segments				Total reportable segments		All other segments		Consolidated	
	Lighthouse		NGI Strategic							
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Total revenue from contracts with customers	**105,782**	**68,648**	**-**	**-**	**105,782**	**68,648**	**117**	**136**	**105,899**	**68,784**
Other income	-	-	22,419	10,482	**22,419**	10,482	-	-	**22,419**	**10,482**
Earnings before interest, tax, depreciation and amortisation	**17,906**	**14,351**	**(14,043)**	**9,563**	**3,863**	**23,914**	**(2,320)**	**300**	**1,543**	**24,214**
Reportable segment profit / (loss) before income tax	**13,966**	**11,448**	**(16,246)**	**7,681**	**(2,280)**	**19,129**	**(2,359)**	**303**	**(4,639)**	**19,432**
	31 Dec 2023	**30 Jun 2023**	**31 Dec 2023**	**30 Jun 2023**	**31 Dec 2023**	**30 Jun 2023**	**31 Dec 2023**	**30 Jun 2023**	**31 Dec 2023**	**30 Jun 2023**
Segment assets	234,283	214,172	525,168	529,268	**759,451**	**743,440**	26,846	19,485	**786,297**	**762,925**
Segment liabilities	(46,061)	(34,434)	319,941	(306,086)	**366,002**	**(340,520)**	(4,928)	(867)	**370,930**	**(341,387)**
Net assets	**188,222**	**179,738**	**205,227**	**223,182**	**393,449**	**402,920**	**21,918**	**18,618**	**415,367**	**421,538**

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

2. Revenue

a) Revenue from contracts with customers

	Consolidated USD'000	
	31 December 2023	31 December 2022
Operating revenue		
Management fees from hedge fund clients	16,806	12,225
Management fees from commingled funds	10,155	10,761
Management fees from customised solutions clients	10,271	9,626
Management fees from managed account services clients	4,674	4,339
Performance fees	6,274	6,135
Total operating revenue	**48,180**	**43,086**
Other revenue		
Revenue from reimbursement of fund costs	54,330	23,669
Revenue from provision of office space and services	3,389	2,029
Total other revenue	**57,719**	**25,698**
Total revenue from contracts with customers	**105,899**	**68,784**

b) Other income

Net investment income of $22.4million (2022: $10.5million) for the six month period reflects distributions received from investments the Group holds in unquoted securities in externally managed entities.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

3. Expenses

	Consolidated USD'000	
	31 December 2023	31 December 2022
a) Employee expenses		
Employee costs and benefits	(27,148)	(25,518)
Share based payments	(334)	(574)
Termination payments	(2,113)	(94)
Total employee expenses	**(29,595)**	**(26,186)**
b) Administration and other general expenses		
Operating expenses		
Professional and consulting expenses	(1,992)	(1,905)
Information and technology expense	(1,429)	(1,588)
Reimbursable fund costs	(53,074)	(23,669)
Occupancy expense	(1,641)	(1,016)
Distribution expense	(1,587)	(1,044)
Insurance	(369)	(318)
Travel expense	(618)	(501)
Other expenses	(1,274)	(1,340)
Total operating expenses	(61,984)	(31,381)
Non-operating expenses		
Transaction costs associated with redemption payment extinguishment	(2,107)	-
Total administration and general expenses	**(64,091)**	**31,381**
c) Depreciation and amortisation expense		
Depreciation of plant and equipment	(1,635)	(1,132)
Lease depreciation	(1,795)	(1,358)
Amortisation of intangible assets	(48)	(48)
Total depreciation and amortisation expense	**(3,478)**	**(2,538)**
Total expenses	**(97,164)**	**(60,105)**

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

4. Finance income and costs

a) Recognised directly in profit and loss

	Consolidated USD'000	
	31 December 2023	31 December 2022
Finance income		
Unrealised fair value changes in financial assets	8,301	10,999
Realised gain on financial assets	-	213
Interest income on bank deposits	487	100
Finance income on net investment in finance lease	105	120
Total finance income	**8,893**	**11,432**
Finance costs		
Unrealised fair value changes in financial liabilities	(41,561)	(8,891)
Lease interest expense	(614)	(516)
Net foreign exchange loss	(17)	(88)
Bank charges	(108)	(243)
Interest on borrowings	(1,108)	(324)
Unwinding of discount on financial liabilities & provisions	(1,574)	(1,624)
Total finance costs	**(44,982)**	**(11,686)**
Net finance (loss) / income recognised in profit and loss	**(36,089)**	**(254)**

Fair value movements through profit and loss

Financial assets (Note 9) and financial liabilities (Note 11) at fair value through profit and loss are remeasured at each reporting date. Fair value movements (unrealised) are reported in the profit and loss as either finance income or finance costs depending on whether the fair value increment or decrement for the reporting period.

Unrealised fair value changes in financial liabilities reflects the write up of the redemption liability to $200 million, the agreed consideration to settle the arrangement earlier than 2026. Refer to Note 16 Subsequent events for further details.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

5. Income tax

The Group operates in various tax jurisdictions around the world including Australia, United States of America, and to a smaller extent United Kingdom, Hong Kong and Ireland. The Group has an Australian tax consolidated group and two separate US tax consolidated groups; one for the Lighthouse segment and one which includes US entities within the NGI Strategic segment. Several entities within the NGI Strategic segment are incorporated in the Cayman Islands including the partnership entities which receive distribution income from portfolio investments acquired in the current year.

Income tax expense comprises current and deferred tax and is recognised in profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

a) Reconciliation of effective tax rate

	Consolidated USD'000	
	31 December 2023	**31 December 2022**
Profit before income tax	**(4,639)**	**19,432**
Income tax using the Company's domestic tax rate of 30% (2022: 30%)	1,392	(5,830)
Effect of tax rates in foreign jurisdictions	(8,830)	1,385
Non-deductible / non-assessable amounts included in accounting profit	2,961	1,500
Amounts not included in accounting profit	(2,411)	(244)
Tax losses / (generated) for which no deferred tax asset is initially recognised	494	113
Changes in estimates relating to prior years	79	(1,625)
Total income tax expense reported in profit and loss	**(6,315)**	**(4,700)**

b) Current tax assets and liabilities

	Consolidated USD'000	
	31 December 2023	**30 June 2023**
Current tax assets	826	93
Current tax liabilities	(866)	(1,487)

Tax receivables & payables

Current tax assets and liabilities represent the amount of income taxes receivable or payable to the relevant tax authority, using rates current at reporting date. Income taxes payable are after the effects of applying any carried forward losses available and instalments paid during the period.

Current tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on a tax consolidated group of entities.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

5. Income tax (continued)

c) Deferred tax

	Consolidated USD'000	
	31 December 2023	30 June 2023
Carried forward tax losses	31,592	37,271
Goodwill and intangible assets	(13,500)	(11,569)
Property, plant and equipment	599	376
Employee benefits	5,588	921
Financial assets at fair value through profit and loss	(3,319)	(1,637)
Investment in joint ventures and associates	(296)	(334)
Financial assets at fair value through other comprehensive income	1,073	425
Foreign tax credits	1,210	856
Other items	1,546	2,344
Net deferred tax assets	**24,493**	**28,653**
Reflected in the statement of financial position as follows:		
Deferred tax assets	25,355	28,653
Deferred tax liabilities	(862)	-
Net deferred tax	**24,493**	**28,653**

Recognised carried forward losses arose in the Lighthouse tax consolidated group. At balance date it is considered more likely than not that these losses and deductible temporary differences will be fully recovered. This position is supported by the current profitability of each US Group, which is expected to continue into the future.

Carried forward tax losses relating to the US Group which existed prior to 1 January 2018 have a life of 20 years and will expire during the period from 2029 to 2038. Tax losses incurred after 1 January 2018 have an indefinite life.

Deferred tax assets - unrecognised

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated USD'000	
	31 December 2023	30 June 2023
Deductible temporary differences	80,048	77,844
Unrealised capital losses	-	4,879
Tax losses	2,536	2,679
Total deferred tax assets - unrecognised	**82,584**	**85,402**

Unrecognised deferred tax assets relating to the Australian tax consolidated Group of AUD$121.2 million equivalent (June 2023: AUD$121.5 million) consist of carried forward operating tax losses and deductible temporary differences primarily relating to financial assets and impairment losses recognised in previous financial years.

Tax losses relating to the Australian Group and deductible temporary differences do not expire under current tax legislation.

At balance date it is not probable that the Australian tax Group will produce sufficient taxable profits and/or capital gains against which these deferred tax assets can be utilised and therefore the deferred tax assets are unrecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

6. Dividends

The following dividends were paid by the Company during the period:

	Consolidated USD'000	
	31 December 2023	31 December 2022
Final ordinary dividend for the year ended 30 June 2023 of US 3.0 cents	9,019	-
Final ordinary dividend for the year ended 30 June 2022 of US 3.0 cents	-	9,004
	9,019	**9,004**

7. Earnings per share

	Consolidated USD	
	31 December 2023	31 December 2022
Basic earnings per share	(4.50)	6.25
Diluted earnings per share	(4.50)	4.82

Diluted earnings per share in the current period are anti-dilutive and hence are the same as basic earnings per share.

Reconciliation of earnings used in calculating earnings per share

Basic and diluted earnings per share (EPS)

	Consolidated USD'000	
	31 December 2023	31 December 2022
Profit attributable to ordinary equity holders of the Company used in calculating basic and diluted EPS	(10,954)	14,732

Weighted average number of shares used in calculating basic and diluted EPS

	'000 shares	
	31 December 2023	31 December 2022
Weighted average number of ordinary shares used in calculating basic EPS **(i)**	243,692	235,692
Adjustment for calculation of diluted EPS relating to Convertible notes & share based payments **(ii)**	62,321	70,118
Weighted average number of ordinary shares used in calculating diluted EPS	306,013	305,800

(i) There were no weighting of issued shares in the current or prior period.

(ii) Diluted earnings per share includes unweighted contingently issuable shares associated with equity settled share based payments which are expected to vest had the contingent period ended at balance date. Potential shares associated with the convertible notes on issue are also included.

Subsequent to reporting date and prior to the date of authorisation of these financial statements, the Company issued 244,954,387 new fully paid ordinary shares. Refer to Note 16 Subsequent events for further details.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

8. Acquisitions

Prior year transaction

Investment in Invictus Capital Partners

On 4th August 2022, the Group acquired passive investment interests in US based Invictus Capital Partners, LP and four affiliate entities (collectively 'Invictus Capital'). Invictus Capital operates in a real estate credit focused alternative asset manager of private funds and separately managed accounts. They seek attractive risk-adjusted returns by sourcing undervalued high-quality mortgage loans and financing them efficiently through credit facilities and the securitisation market. The acquisition expands the Group's investments in the broad residential real estate sector. The Group acquired equity rights of 18.18% across various Invictus Capital entities and is entitled to 9.09% of carried interest proceeds for total consideration of $100 million. Up front consideration of $15 million has been paid during the period with the remaining $85 million expected to be payable in cash over a three year period. Deferred consideration comprises of primary and secondary elements, with primary expected to be paid on anniversary dates but can be accelerated upon certain terms being met, while the timing of the secondary consideration is dependent upon Invictus Capital's mortgage business to achieve a required earnings target or on the third anniversary date at the latest.

The Group has traditional protective rights over the investment held and has no representation on the board of directors, or ability to significantly influence operations, it has been determined the acquisition is of an investment in a financial asset which will be recorded at fair value through comprehensive income. Refer to Note 13 for further details on fair value measurement. The following table summarises consideration paid & payable for the investment:

	Total Consideration	Final Fair Value
	USD $'000	
At completion (cash):	15,000	15,000
Deferred (cash):	85,000	**76,324**
Total consideration	**100,000**	**91,324**
	Capitalised transaction costs	**1,970**
	Initial carrying amount	**$93,294**

Fair value of the investment in Invictus Capital at acquisition is $91.3 million. The differential to total consideration paid and payable of $8.7 million is a result of discounting deferred components not callable for 12 months, to present value. Deferred consideration is not contingent upon future events or earnings and as such is not treated as contingent consideration and is remeasured at each balance date. The balance is however classified as current as it is not within the Group's control to defer payment beyond twelve months. Transaction costs of $2 million are capitalised to the investment when fair valued through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

9. Investments at fair value

	Consolidated USD'000	
	31 December 2023	30 June 2023
Financial assets at fair value through other comprehensive income		
Investments in unquoted securities of externally managed entities	170,600	159,000
Financial assets at fair value through profit and loss		
Investments in unquoted securities of externally managed entities	331,000	323,132
Investments in unquoted securities of Group managed entities	15,817	13,786
	517,417	**495,918**

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise non-controlling equity holdings in unquoted securities of US based entities over which the Group does not have significant influence.

The Group has elected to account for these investments at fair value with changes to fair value recognised through other comprehensive income in the fair value reserve. Upon sale or derecognition of these investments, any gain or loss will be transferred to retained earnings.

Financial assets at fair value through profit and loss

These assets have been classified as fair value through profit and loss upon initial recognition with changes in fair value recognised in profit and loss. These investments comprise of:

- Investments in unquoted securities of Group managed entities; and
- Investments in unquoted securities of externally managed entities which comprise of the six investments in the NGI Strategic Portfolio. Fair value movements are recorded through the profit and loss to better align with the fair value movements expected in the corresponding redemption payment liability to acquire non-controlling interests in the acquired partnerships.

Note 13 provides details on the methods used to determine fair value for measurement and disclosure purposes.

10. Trade and other payables

	Consolidated USD'000	
	31 December 2023	30 June 2023
Current		
Trade creditors	545	164
Distribution costs payable	781	723
Accruals	4,751	2,942
Profit share payable to non-controlling interest	-	34,923
Other payables	3,267	1,875
	9,344	**40,627**
Non-current		
Other long-term liabilities	361	350
	361	**350**

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

11. Other financial liabilities

	Note	Consolidated USD'000 31 December 2023	Consolidated USD'000 30 June 2023
Current			
Deferred consideration payable		84,477	97,938
Derivative Liability		1,568	-
Financial liabilities at fair value – Redemption payment liability	11(a)	200,000	-
		286,045	**97,938**
Non-current			
Borrowings		31,186	9,581
Financial liabilities at fair value – Redemption payment liability	11(a)	-	160,007
Financial liabilities at amortised cost – Convertible notes		1,683	1,655
		32,869	**171,243**

Current and non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. A liability is current when:

- It is expected to be settled in the normal operating cycle
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Derivative liability

Upon initial recognition financial liabilities are classified at fair value through profit and loss, loans and borrowings, payables or as derivatives designed as hedging instruments. Initially financial liabilities are recognised at fair value and net of transaction costs in the case of loans and borrowings and payables.

For derivative contracts, fair value movements are recorded through the profit and loss.

At balance date the derivative liability recorded relates to a forward foreign exchange contract to buy USD $45 million on 3 January 2024 in exchange of AUD raised through the Rights Issue associated with the early settlement of the redemption liability (Refer Note 16 Subsequent events).

a) Redemption payment liability

	Consolidated USD'000 31 December 2023	Consolidated USD'000 30 June 2023
Opening fair value / as at acquisition date	160,007	128,373
Unrealised fair value changes recognised in profit and loss	39,993	31,634
Closing fair value	**200,000**	**160,007**

The Group has a written put arrangement over the non-controlling interest in acquired partnerships; NGI Strategic Holdings (A) Limited Partnership and NGI Strategic Holdings (B) Limited Partnership. The deferred consideration payable represents the fair value of non-controlling interest held by the vendor which the Group had an obligation to acquire in FY2026.

As outlined in Note 16 Subsequent events, the Group settled the redemption liability early on 3 January 2024. As all conditions precedent to the transaction were met prior to reporting date the fair value of the liability was written up to the agreed consideration of $200 million and classified as a current liability. Fair value movements are recorded through profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

12. Capital & Reserves

a) Share capital

Ordinary shares	Note	Shares '000 31 December 2023	Shares '000 30 June 2023	USD'000 31 December 2023	USD'000 30 June 2023
Opening balance 1 July		243,692	235,692	368,165	356,186
Less: Transaction costs arising on share issue		-	-	-	(15)
Issued upon conversion of notes		-	8,000	-	11,994
Total share capital at 31 December and 30 June		**243,692**	**243,692**	**368,165**	**368,165**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

The Company does not have authorised capital or par value in respect of issued shares. All ordinary shares rank equally with regard to the Company's residual assets. Ordinary shares have the right to receive dividends as declared and are entitled to one vote per share at general meetings of the Company.

b) Non-share capital

Non-share capital of $87.8 million (June 2023: $87.8 million) represents the equity component of 90,289 convertible notes issued as part consideration for a business combination in 2021. As this is a compound instrument, the liability component is included in Other financial liabilities at Note 11.

c) Share based payment reserve

The Group provides benefits to its employees in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity settled transactions')(refer Note 3(a))

All share based payment instruments are unvested as at balance date.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

13. Financial instruments

Fair value of financial instruments

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The different levels of fair value hierarchy are:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data.

Fair value measurements

The following table shows the fair values of financial assets and liabilities and their levels in the fair value hierarchy.

		Consolidated USD'000			
	Note	**Level 1**	**Level 2**	**Level 3**	**Total**
		30 June 2023			
Financial assets at fair value through other comprehensive income					
Investments in unquoted securities of externally managed entities	9	-	-	159,000	**159,000**
Financial assets at fair value through profit and loss					
Contingent consideration asset		-	-	2,620	**2,620**
Investment in unquoted securities of externally managed entities	9	-	-	323,132	**323,132**
Investments in unquoted securities of Group managed entities	9	-	13,786	-	**13,786**
Financial liabilities					
Redemption payment liability	11(a)	-	-	160,007	**160,007**
		31 December 2023			
Financial assets at fair value through other comprehensive income					
Investments in unquoted securities of externally managed entities	9	-	-	170,600	**170,600**
Financial assets at fair value through profit and loss					
Contingent consideration asset		-	-	2,620	**2,620**
Investment in unquoted securities of externally managed entities	9	-	-	331,000	**331,000**
Investments in unquoted securities of Group managed entities	9	-	15,817	-	**15,817**
Financial liabilities					
Redemption payment liability	11(a)	-	-	200,000	**200,000**
Derivative liability	11	-	1,568	-	**1,568**

There were no transfers between levels during the periods ended 31 December 2023 or 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

13. Financial risk management (continued)

Fair value measurements (continued)

Valuation techniques used to derive level 2 and level 3 fair values

The fair value of financial instruments that are not in an active market are determined using valuation techniques. These valuation techniques maximise the use of observable market data where available, and if so, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3, as is the case for unlisted equity securities. Specific valuation techniques are outlined below in addition to those detailed in Note 9.

Share in unquoted securities of Group managed entities

The Group holds investments in Group managed entities, each with an external administrator who is responsible for determining the fair value of the underlying investments. This is used to calculate the net asset value per share at which any investor in the entity can redeem their investment holding ('the exit price'). This exit price is used to fair value these investments at each balance date. All significant inputs required to fair value the investments are observable (level 2) and changes in fair value for these investments are recorded in profit and loss.

Contingent consideration asset

A contingent consideration asset is recognised in 'Other assets' on the balance sheet relating to an investment in associate. The assets value is based on an expectation of whether the associate entity will meet EBITDA targets by a specified timeframe. If targets are not reached the Group's shareholding increases for nil additional consideration. Company earnings are unobservable inputs and considered level 3.

Derivative liability

The Group entered into a forward exchange contract (a derivative financial instrument) with a financial institution with investment grade credit ratings. This contract was valued using valuation techniques which utilise foreign exchange spot an forward rates, yield curves of the respective currencies and currency base spreads between respective currencies.

Unquoted securities of externally managed entities

Equity holdings in other externally managed entities are unquoted and are considered level 3 as the inputs to the fair value are not based on observable market prices.

Alternative asset managers

A portfolio of investments in alternative asset managers, each operating within their own niche market. The Group engaged external, independent and qualified valuers specialising in unquoted securities to determine the fair value of the Group's investment in each alternative asset manager.

A combination of market and income approaches were utilised by the external valuer based on forecasted cashflows prepared by management. The utilisation of external valuers evolved the process into a more robust and balanced approach. Certain assumptions on model inputs including growth rates on net fee related earnings, performance fee income and carried interest are made. The probabilities of various estimates within the range can be reasonably assessed and are used in management's estimate of fair value.

Other externally managed entities:

The Group has small investments in an operator of an online marketplace for alternative investments & a boutique asset manager. Continued uncertainty as to the on-going viability of these investments, carrying value continues to be $nil.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

13. Financial risk management (continued)

Movement in Level 3 financial instruments

	Note	Consolidated USD'000 Contingent consideration asset Through profit and loss	Investments in unquoted securities Through profit and loss	Investments in unquoted securities Through other comprehensive income	Total
Opening balance 1 July 2022		**1,000**	**289,246**	**84,471**	**373,717**
Acquisitions	8	-	-	93,294	**93,294**
Increase/(Decrease) in fair value		1,620	33,886	(18,765)	**15,121**
Closing balance 30 June 2023		**2,620**	**323,132**	**159,000**	**482,132**
Increase/(Decrease) in fair value		-	7,868	11,600	**19,468**
Closing balance 31 December 2023		**2,620**	**331,000**	**170,600**	**501,600**

Significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair valuation measurements categorised within level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis are shown below:

Description	Valuation technique	USD'000 Fair value at 31 Dec 2023	USD'000 Fair value at 30 June 2023	Unobservable inputs	Sensitivity of the input to fair value
Alternative asset managers Investments in unlisted equity securities in externally managed entities	Income & Market approach	501,600	482,132	Expected earnings through the measurement period	A 1% change in revenue growth increases/decreases earnings results in a $13.4m increase / $12.5m decrease (June 2023: 1% change, $13.8m increase/$13.2m decrease)
				WACC applied to net fee related earnings ranged from 10.5% – 23% (June 2023: 13 – 22.5%)	A 0.5% increase/decrease in the WACC would decrease value $3.9m / $4m increase value (June 2023: 0.5% change, $3.9m decrease / $4.1m increase)
				Discount rate ranged from 30% – 42% (June 2023 from 27%-41%) applied to performance fee & carried interest earnings, a higher degree of variability in earnings	A 0.5% increase/decrease in the discount rate would result in a $2.7m decrease in value / $2.8m increase in value (June 2023: 0.5% change, $2.4m decrease/ $2.5m increase)
				Transaction prices associated with actual market transactions for similar investments ranged from 7x – 14x (June 2023: from 6.5x-12x)	A 0.5x increase/decrease in market multiples would result in a $9.9m increase/decrease in value (June 2023: $9.6m)
Other Investments in unlisted equity securities in externally managed entities	Market approach	-	-	A share price from a historical capital raise was utilised as an indicative fair value price for equity held.	Any increase in the price per share would result in an increase in the fair value from nil.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

13. Financial risk management (continued)

Description	Valuation technique	USD'000 Fair value at 31 Dec 2023	USD'000 Fair value at 30 June 2023	Unobservable inputs	Sensitivity of the input to fair value
Redemption payment liability recorded at fair value	DCF	(200,000)	(160,007)	Nil as liability equals agreed settlement price.	
Contingent consideration asset	Market approach	2,620	2,620	A share price from a recent capital raise was utilised as an indicative fair value for potential increment in equity held.	A 10% increase/decrease in the price per share would result in a $0.3m increase/ decrease (June 2023: 10% change, $0.3m increase/decrease)
				A probability scenario is applied based on expected achievement of earnings target by a specific timeframe. Current period expectation is 100% (June 2023: 100%)	A 10% decrease in the probability factor would result in a $0.3m decrease in value (June 2023: 10% change, $0.3m) increase/decrease)

14. Contingencies

Investment fund related obligations

The Company's subsidiary Lighthouse Investment Partners, LLC acts as the Investment Manager for certain private investment funds under Delaware Law, Cayman Islands Law, Irish Law and Illinois law. Due to its role as Investment Manager the subsidiary may be subject to contingent liabilities as a result of its obligations to the funds. The directors of Lighthouse Investment Partners, LLC consider that all obligations have been met to 31 December 2023.

Guarantees

The Group provides a guarantee to one of the externally managed entities for its share in a banking facility. In the event of default this guarantee may be called upon which would be incurred jointly with other investors. In the prior year, the facility had been drawn in full and the guarantee provided totals $3.3 million (2023: $3.3 million).

15. Commitments

Commitments

At 31 December 2023 the Group had commitments of $49 thousand (30 June 2023: $309 thousand) relating to the completion of lease fit outs for a new leased premises.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

16. Subsequent events

Events occurring after reporting period

Accelerated settlement of the redemption liability

On 3 January 2024, the Group settled a transaction with certain affiliates of GP Strategic Capital (formerly known as Dyal Capital)("GP Strategic Affiliates"), a platform of Blue Owl (NYSE: OWL) regarding the accelerated acquisition of incremental profit distributions and settlement of the 2026 redemption liability for total consideration of $200 million.

This will result in:

c) Cancellation of the scheduled redemption payment in CY26 (currently recorded as a current liability on the Group's balance sheet (Note 11(a)) to acquire GP Strategic Capital Affiliates' share of profit distributions from the NGI Strategic Portfolio; and

d) Acquire GP Strategic Capital Affiliates' share of profit distributions from the NGI Strategic Portfolio with effect from 1 July 2023. This will entitle the Group to 100% of distributions received from the portfolio with no corresponding payable to non-controlling interest such as that in current trade and other payables.

Consideration for the acquisition has been funded through:

- The issue of 48,099,151 fully paid Navigator ordinary shares through a Rights Issue and Noteholder Offer completed allotted on 3 January 2024;
- The issue of 129,712,902 Shares at A$1.40 per Share issued under a Share Placement; and
- Payment of US$48.0 million in cash of which approximately 93% was raised through the Entitlement offer to non-.GP Strategic Affiliates.

As a result of the above, GP Strategic Capital Affiliates' will have a relevant interest of 46.3% in the Company and a 52.2% economic interest in the Company.

The expected impact on the profit and loss subsequent to period end will be an expense of approximately $2.6 million for transaction costs contingent upon settlement.

Increase in the line of credit available to the Group

On 16 February 2024, the Group entered into a new credit agreement with its current lender, BMO Harris Bank N.A. ('BMO'), for a new 5 year senior, secured credit facility of $100 million capacity. This increase in capacity of $30 million available provides the Group with flexible financing to maximise shareholder returns and to fund outstanding deferred consideration in relation to the Marble Capital and Invictus Capital acquisitions.

The new facility matures on in February 2029 and therefore also extends the availability of funding by approximately 3.6 years in comparison to the prior three year facility which was due to mature on 30 June 2025.

Other than the above matters, there has not arisen in the interval between the end of the reporting period and the date of signing this report, any item, transaction or event of a material nature, likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

17. Corporate information

The financial report of Navigator Global Investments Limited (the 'Company') for the year ended 31 December 2023 was approved by the board of directors on the 22nd day of February 2024.

The consolidated financial statements of the Company as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (the 'Group').

The Company is a for profit company limited by shares incorporated in Australia and is listed on the Australian Securities Exchange. The registered office of the Company is Level 21, 10 Eagle Street, Brisbane QLD 4000.

18. Statement of compliance

These interim financial statements have been prepared in accordance with AASB 134 Interim Financial Reporting; the *Corporations Act 2001*; and IAS 34 Interim Financial Reporting. They do not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2023 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The consolidated financial statements of the Group as at and for the year ended 30 June 2023 are available on the Company's website at www.navigatorglobal.com.au, or a copy can be requested by contacting the Company.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards introduced by the accounting standard board as set out in Note 21;

19. Basis of measurement

The consolidated financial statements have been prepared on a going concern basis. The consolidated financial statements have been prepared on a historical cost basis except for the following items:

Items	**Measurement basis**
Financial assets at fair value through profit and loss & other comprehensive income	Fair value
Contingent consideration asset	Fair value
Financial liabilities at fair value through profit and loss	Fair value

Where the Group's accounting policies and disclosures require the determination of fair value, the methods used to measure fair value are outlined in Note 13.

20. Functional and presentation currency

The consolidated financial statements are presented in US dollars ('USD') unless otherwise stated, which is the Company's functional currency.

The amounts contained in this financial report have been rounded to the nearest thousand dollars in accordance with the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, unless otherwise stated.

Translation of foreign currency

Transactions in foreign currencies are translated to the respective functional currency of Group entities at rates of exchange ruling on the date of those transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the year-end exchange rate of monetary assets and liabilities denominated in foreign currencies, are recognised in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2023

21. Other accounting policies

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 5 - recognition of deferred tax assets: availability of future taxable profit against which carried forward tax losses can be used;
- Note 9 & 13 - fair value measurement of investments;
- Note 11 & 13 – financial liabilities measured at fair value with changes recorded through the profit and loss.

Changes in accounting policies

New and amended standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period:

- AASB 2021-5 Amendments to Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2021-2 Amendments to Disclosure of Accounting Policies and definition of Accounting Estimates & AASB 2021-6 – Disclosure of Accounting policies: Tier 2 and Other Australian Accounting Standards

The amendments listed above did not have any impact on the Group's financial statements.

Accounting standards and interpretations issued but not yet effective

The following Australian accounting standards and interpretations that are relevant to the Group's operations have been issued but are not yet effective and have not been adopted by the Group for the current period. These standards are not expected to have a significant impact on the Group's consolidated financial statements:

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- AASB 2015-10, AASB 2017-5 & AASB 2021-7(a-c) Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2020-1, 2020-6 & 2022-6 Amendments regarding the classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to AASB 16 – Lease Liability in a Sale and Leaseback
- AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Navigator Global Investments Limited (the 'Company') we state that:

In the opinion of directors:

(a) the interim consolidated financial statements and notes that are set out on pages 14 to 39 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

(ii) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Michael Shepherd, AO
Chairman and Non-Executive Director

Suvan de Soysa
Non-Executive Director

Sydney, 22 February 2024

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Building a better working world

Independent Auditor's Review Report to the Members of Navigator Global Investments Limited

Conclusion

We have reviewed the accompanying half-year financial report of Navigator Global Investments Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 31 December 2023, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

N.young

Nathan Young
Partner
Brisbane
22 February 2024