



LOGiQ Asset Management Inc. Announces Fiscal 2018 Second Quarter Results

TORONTO, May 10, 2018 -- LOGiQ Asset Management Inc. ("LOGiQ" or the "Company") (TSX:LGQ) announces it has released its unaudited Condensed Consolidated Interim Financial Statements for the three and six months ended March 31, 2018 and related Management's Discussion and Analysis.

As previously reported, the Company commenced a strategic review of its remaining businesses and commenced to actively seek a merger partner, including a potential concurrent or subsequent sale of some or all of its remaining assets and therefore, the Global Partners and Institutional assets continued to be classified as held for sale. Significant highlights of the Company during the quarter ended March 31, 2018 include:

- On March 12, 2018, the Company entered into an arrangement agreement with Grenville Strategic Royalty Corp. ("Grenville") pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Grenville on the basis of 6.25 common shares of the Company for each outstanding common share of Grenville (the "Arrangement"). Upon completion of the Arrangement, existing shareholders of the Company and Grenville will own approximately 33% and 67% of the combined Company, respectively. This Arrangement constitutes a reverse takeover of the Company by the existing shareholders of Grenville. The Arrangement will be accounted for as an acquisition of the Company by Grenville. The Arrangement is subject to shareholder, TSX and Supreme Court of British Columbia approval, and the satisfaction of other customary closing conditions.
- \$15.0 million in principal amount of the Company's debentures were tendered for retraction and were redeemed by the Company on January 15, 2018 in the amount of \$15.2 million including interest. Immediately following the redemption of the debentures tendered for retraction, there were \$5.2 million in principal amount of debentures outstanding.
- The closing on December 15, 2017 of the September 11, 2017 announced transaction with Purpose Investments Inc. ("Purpose") whereby Purpose acquired substantially all of the retail asset management agreements owned by LOGiQ and its affiliates (the "Purpose Transaction") for cash proceeds of approximately \$32.1 million. Proceeds of disposition, net of transaction costs and certain assumed liabilities, amounted to approximately \$30 million. The Company recognized a loss of \$0.1 million and a gain of \$0.6 million on the sale for the three and six months ended March 31, 2018, respectively.

Assets under Management, Advisory, and Other

<http://resource.globenewswire.com/Resource/Download/1dc49abf-d49e-4186-a548-5cccdff80342>

Selected financial information

(in thousands of Canadian dollars, except per share numbers)

<http://resource.globenewswire.com/Resource/Download/32f0dfc6-811b-41d1-bb11-1f5278de49ce>

Notes:

1. EBITDA is comprised of net gain (loss) to controlling interest before finance expense, income tax recovery, amortization of intangible assets – finite life, amortization of deferred sales commissions and depreciation of property and equipment. Adjusted EBITDA is comprised of EBITDA before share based compensation, impairment losses, and net (gains) losses on financial assets and liabilities at fair value through profit or loss. See "Notice to Reader: Use of Non-IFRS Measures and Forward-Looking Statements" below.
2. As a result of the strategic review of the remaining businesses and the commencement to actively seek a merger partner, which may include a concurrent or subsequent sale of some or all the remaining assets, Global Partners and Institutional assets are classified as held for sale for accounting purposes during the quarter ended, and for the three and six months ended March 31, 2018, the financial results of Global Partners and Institutional assets have been reported as discontinued operations and comparative results have been reclassified.

LOGiQ's Assets Under Management, Advisory and Administration ("AUM") decreased \$1.9 billion year-over-year from \$2.3 billion to \$0.4 billion at March 31, 2018. The lower AUM is mainly due to the Purpose Transaction and the resulting sale of substantially all of the retail asset management agreements owned by LOGiQ. At March 31, 2018, LOGiQ also had \$3.0

billion of institutional advisory sales-related fee earning arrangements in respect of assets that are neither managed nor advised that are incremental to the AUM, an increase of \$460 million year-over-year.

For the quarter ended March 31, 2018, LOGiQ revenue from continuing and discontinued operations decreased to \$1.3 million from the prior year's quarterly revenue of \$7.5 million. The significant decline was the result of the declining AUM levels during the periods and the closing of the Purpose Transaction on December 15, 2017.

Net loss for the quarter was \$0.5 million, made up of a net loss from continuing operations of \$1.2 million and net income from discontinued operations of \$0.7 million, as compared to a net loss in 2017 of \$2.8 million. This is primarily the result of a reversal of previously recorded share based compensation expense of \$783 due to the forfeiture of unvested stock options and restricted share units during the quarter and overall reduced operations after the closing of the Purpose Transaction on December 15, 2017.

Events Subsequent to Quarter End

Subsequent to March 31, 2018, the Company's wholly-owned subsidiary, LOGiQ Asset Management Ltd., completed the sale of its Institutional account management contracts to Purpose on April 16, 2018 for cash proceeds of \$550,000 which did not result in any gain/loss on the assets held for sale.

About LOGiQ:

LOGiQ (logiqasset.com) has an institutional global advisory sales platform (the "Global Partners platform") providing pension funds, charities and endowment clients with access to leading institutional money managers from around the world. LOGiQ had assets under management or advisement and institutional advisory sales-related fee earning arrangements that are not managed or advised, totaling \$3.4 billion as at March 31, 2018.

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The TSX has neither approved nor disapproved the information contained herein.

Notice to Reader: Use of Non IFRS Measures and Forward-Looking Statements:

1. **Adjusted EBITDA and EBITDA:** Adjusted EBITDA and EBITDA as defined above, are not standardized earnings measures prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Such measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS, such as Net income (loss) to controlling interest; however, management believes that most of its shareholders, creditors, other stakeholders and investment analysts find these measures useful performance benchmarks in analyzing LOGiQ's results, as an important indicator to of the Company's ability to generate operating cash flows and are important measures to increase comparability of performance between periods.
2. **Forward-Looking Statements:** This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "can", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking statements.

For a detailed description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's most recently filed Annual Information Form, and annual financial statements and management discussion and analysis for the year ended September 30, 2017 of the Company, each of which are available on SEDAR under the Company's profile at www.sedar.com.