

Media **Release**

Crestone Wealth Management enters conditional agreement with one of the world's largest privately owned wealth managers, LGT Group

Highlights

- **LGT Group, one of the world's largest privately owned wealth managers, makes offer to acquire Crestone**
- **Total consideration may reach or exceed AUD 475 million as part of conditional agreement**
- **Scheme subject to Crestone shareholder and regulatory approval**
- **Offer enables accelerated growth, delivers further balance sheet strength, and retains benefits of private ownership structure under existing management**
- **Provides Crestone high net worth clients with seamless access to greater product depth and global investment opportunities**
- **Alignment of purpose and values with seamless cultural and operational fit**

Sydney, 15 December 2021

Crestone Wealth Management (Crestone) is poised to further enhance its leading position as Australia's preeminent high net worth investment advisory firm as it today announces that it has entered into a conditional scheme implementation deed (SID) with leading global wealth management firm, LGT Group (LGT). Under the terms of the SID, LGT will acquire 100% of the shares on issue in Crestone for a total consideration that may reach or exceed AUD 475 million by way of a scheme of arrangement (Scheme).

The proposed transaction would enable Crestone to accelerate its growth strategy in Australia and expand the investment opportunities available to Australian high net worth clients while providing them with access to the expertise of the largest privately owned global private banking and asset management group.

The privately owned structure of LGT would also offer long-term alignment with Crestone's longstanding business model.

LGT is driven by the same purpose and values as Crestone and shares a client-centric approach to managing the wealth and financial wellbeing of its sophisticated clients.

The Crestone Board and Executive Management team believe the offer to be attractive and have commissioned an independent expert's report to provide an assessment of the offer. In the absence of a superior proposal and subject to the independent expert concluding in its report (and continuing to conclude) that the Scheme is in the best interests of shareholders, the Crestone Board unanimously



recommends that shareholders vote in favour of the Scheme. Each Crestone Director intends to vote all Crestone shares held or controlled by them in favour of the Scheme.

Crestone Chief Executive Michael Chisholm said Crestone employees and clients would benefit from access to a broadened range of global services and investment opportunities, new international perspectives, a seamless cultural and operational fit, and the extension of the firm's existing high client service standards.

Mr Chisholm said: "This is an exciting opportunity that would provide Australian high net worth investors with seamless access to global opportunities and would cement Crestone's position as Australia's leading high net worth investment advisor.

"Crestone has come a long way in five years in its pursuit of always bringing the very best approach to portfolio construction and investment solutions to our clients. The proposed transaction would enable us to deliver greater scale benefits to our clients whilst drawing on the experience, skills, and global insights of a leading wealth management firm like LGT."

Leigh Clifford, Crestone Non-Executive Chairman said, "We believe that LGT is a natural long-term owner for our business that would provide us with further balance sheet strength while retaining the benefits of a privately owned structure that aligns with our client focused business model."

LGT has a successful track record of acquiring high-quality private banking and wealth management businesses around the world and retaining the clients and people within these organisations. In Crestone LGT has identified a world class firm with an aligned service offering that would complement its existing operations in the Australian high net worth market.

LGT is attracted to Crestone because of the quality of its operations and people and is committed to maintaining and growing Crestone's business under the existing management and retaining its employees and autonomous chief investment office. Crestone will remain Australian domiciled.

H.S.H. Prince Max von und zu Liechtenstein, Chairman of LGT, emphasised: "Crestone is a preeminent wealth advisory firm with excellent further growth opportunities in the attractive Australian market. We look forward to working closely with them in the future. I'm convinced we can help Crestone further enhance its market position through access to our long-standing investment expertise, especially in alternative asset classes, ESG and impact investing."

Olivier de Perregaux, Chief Executive Officer of LGT Private Banking, added: "Crestone has a successful entrepreneurial team, an attractive client franchise and very promising further growth prospects. This makes it an excellent strategic and cultural fit for LGT, and the intended transaction allows us to extend our already strong position in the APAC region."

Should the transaction be successful, Crestone would sit within LGT's Private Banking entity which offers a wide range of wealth and investment management products and services including general advisory, portfolio management and wealth planning.

The scheme consideration will comprise of two payments - an upfront payment of AUD 250 million, and a further payment in five years that may reach AUD 225 million, with an escalation provision should Crestone exceed future year forecasts.

The Scheme is subject to shareholder and regulatory approval. An Extraordinary General Meeting will be convened early next year where shareholders will have the opportunity to vote on the Scheme. Subject to receiving the necessary approvals the acquisition is expected to complete in the first quarter of 2022.

About LGT

LGT is a leading international private banking and asset management group that is wholly owned by the Princely Family of Liechtenstein. As at 30 June 2021, LGT managed CHF 275.0 billion (approx. AUD 396.2 billion) in assets for wealthy private individuals and institutional clients.



LGT is headquartered in Vaduz, Liechtenstein, and employs over 3,900 people who work out of more than 20 locations in Europe, Asia, the Americas and the Middle East.

LGT has extensive experience in the management of family assets and combines comprehensive private banking services with exceptional investment expertise in areas such as alternative asset classes, ESG and impact investing, and philanthropy.

LGT's culture is built on the alignment of interests between clients, employees and owners, emphasizing entrepreneurship and long-term orientation. It has a successful track record of acquiring high-quality private banking and wealth management businesses around the world and retaining the clients and people within these leading brands acquired.

LGT has excellent credit ratings from Moody's (Aa2) and Standard & Poor's (A+) and is regularly recognised in prominent industry awards including:

Global Finance's Best Private Banks Awards 2021 "Best Boutique Private Bank in the World"

Global Private Banking Awards 2020 "Best Private Bank for Alternatives"

Wealth Briefing MENA Awards 2020 "Best Overall MENA Private Bank"

Wealth Briefing Asia Awards 2019 "Best Private Bank for Family Governance" in Greater China and South East Asia

About Crestone

Crestone Wealth Management is one of Australia's preeminent high net worth investment advisory firms with AUD 25 billion of client assets under management. The firm provides wealth advice and portfolio management services to high-net-worth clients and family offices, not for profit organisations and financial institutions. It was created from the acquisition of UBS Wealth Management Australia Ltd in 2016 – a company with an 80-year heritage and client assets under management at the time of AUD 14 billion.

Crestone now has over 250 employees, including 92 investment advisors who have worked together for an average of 10 years. It has offices in Adelaide, Brisbane, Melbourne, and Sydney.

Crestone has best-in-class strategic partners—including UBS, Commonwealth Bank of Australia, Credit Suisse, and Northern Trust, as well as market leading global technology provider Avaloq.

This unique combination provides Crestone clients with global investment research, domestic and international securities dealing, custodial services, capital markets offers and multi-currency, multi-asset lending capabilities that are unsurpassed in the Australian market.

Media enquiries

Erica Borgelt

Partner, SEC Newgate Communications

Tel: +61 413 732 951

erica.borgelt@secnewgate.com.au