

Media Release

EFG to expand its footprint in Asia Pacific by acquiring a majority stake in Shaw and Partners

Zurich / Sydney, 13 March 2019

EFG International, the global private banking group based in Zurich, today announces that it will acquire 51% of the Australian financial service provider Shaw and Partners, subject to regulatory approval.

- **Australia is one of the most attractive and fastest growing wealth management markets worldwide**
- **Shaw and Partners is a strong and well established domestic player with Assets under Management of AUD 15.9 billion¹ (approx. CHF 11.4 billion)**
- **EFG will acquire a 51% majority stake in Shaw and Partners for up to AUD 61 million (approx. CHF 44 million) via a combination of cash and EFG shares**
- **The acquisition will considerably enlarge EFG's coverage in the Asia Pacific region, provide immediate access to the Australian market and strengthen the bank's China offshore business**
- **Transaction expected to be EPS accretive from the first year and to have marginal impact on EFG's strong capital ratios**
- **Closing of the acquisition is subject to regulatory approval in Switzerland, expected during the second quarter of 2019**

Giorgio Pradelli, CEO of EFG International: "We are very excited to announce the acquisition of a majority stake in Shaw and Partners, an investment and wealth management firm established in Sydney in 1987 with an impressive track record of profitable growth. With this acquisition, EFG will expand its market position in the Asia Pacific region into Australia, in line with our strategy to focus on markets that offer superior growth potential. The combination of Shaw and Partners' well-established domestic business with access to EFG's strong international product offering will allow both of us to leverage growth opportunities in this key region. The combined growth potential of this partnership will enable us to double our size in the Asia Pacific region by 2022."

Earl Evans, Co-CEO of Shaw and Partners: "We will continue to target opportunities for the growth and scalability of the firm to both broaden and better our offering to clients. Partnering with EFG is a natural combination and one that makes sense given our shared values of integrity, reliability and results. Additionally, both firms operate against a backdrop of entrepreneurship adopting a hands-on, solutions driven and client-centric approach."

¹ As of February 2019. CHF equivalent amount converted using exchange rate of A\$ 1.4 / CHF

Strong potential to further capture growth opportunities in the Asia Pacific region

Australia presents an attractive macro environment with a stable regulatory framework. It is a fast growing economy and a preferred destination for high-net-worth individuals (HNWI) and key hub of Chinese offshore wealth. Entering the Australian market – the third largest within Asia Pacific in terms of number of HNWI² and attracting the highest HNWI assets globally³ – will substantially strengthen EFG's competitive market position in the Asia Pacific region.

Building on the partnership with Shaw and Partners, which is a successful domestic player with a well-regarded and recognised brand in the region, offers significant growth opportunities for both parties. With a network of around 150 financial advisers, and six offices across Australia, Shaw and Partners has a wide reach and has exhibited a strong growth in its business, with an annualised Assets under Management growth rate of approximately 19% since 2015, reaching AUD 15.9 billion (approx. CHF 11.4 billion) as at February 2019.

Upon closing the partnership will provide EFG with immediate access to the Australian market, thereby considerably enlarging its Asia Pacific coverage. In addition, the partnership can help to accelerate the growth of Shaw and Partners, enabling it to leverage on EFG's international presence and to broaden its investment solutions and investment finance offering. In line with this, EFG and Shaw and Partners intend to launch a number of targeted growth initiatives. Shaw and Partners' clients, who are mainly invested in Australian equities, can in future benefit from EFG's comprehensive product offering across asset classes and gain direct access to international markets. At the same time, EFG can leverage the partnership to strengthen its penetration of the Chinese offshore HNWI market in Australia. EFG could additionally leverage its New Capital funds offering to cover the Australian corporate and pension funds market.

Acquisition via a combination of cash and shares secured by adequate protection mechanisms

EFG will acquire a 51% stake in Shaw and Partners for a total consideration of up to AUD 61 million. The purchase price implies a valuation for 100% of shares at 2018 price-to-earnings (P/E)⁴ ratio of approximately 11-times and price-to-Assets-under-Management (P/AuM)⁵ ratio of approximately 0.8%.

The agreed consideration will be paid via a combination of cash and up to 3.4 million of newly issued EFG shares; the transaction will have a marginal impact on EFG's strong capital ratios. 70% of the total consideration will be paid at closing with the remaining balance to be paid in two tranches, on 30 June 2020 and 30 June 2021. All issued shares will be subject to a three-year lock-up period, subject to proportionate release over that time period. Payment of the second and third tranches is subject to downward revision based on the achievement of agreed Assets under Management and revenue thresholds. Closing is expected during the second quarter of 2019.

The two Co-CEOs of Shaw and Partners, Earl Evans and Allan Zion, will remain within their executive roles and are expected to jointly hold a 25% stake upon closing.

Rothschild & Co is acting as sole financial advisor to EFG. Allen & Overy is acting as legal adviser to EFG.

² Source: Investment Company Institute (2016)

³ Source: New World Wealth (2017); During 2015-2017

⁴ Based on adjusted full-year earnings as of June 2018

⁵ Based on Assets under Management as of February 2019

Contact

Investor Relations

+41 44 212 73 77

investorrelations@efginternational.com

Media Relations

+41 44 226 12 72

mediarelations@efginternational.com

About EFG International

EFG International is a global private banking group offering private banking and asset management services and is headquartered in Zurich. EFG International's group of private banking businesses operates in around 40 locations worldwide. Its registered shares (EFGN) are listed on the SIX Swiss Exchange.

EFG International AG, Bleicherweg 8, 8001 Zurich, Switzerland

www.efginternational.com

Important Disclaimer

This document has been prepared by EFG International AG ("EFG") solely for use by you for general information only and does not contain and is not to be taken as containing any securities advice, recommendation, offer or invitation to subscribe for, purchase or redeem any securities regarding EFG.

This release contains specific forward-looking statements that include terms like "believe", "assume", "expect", "target" or similar expressions. Such forward-looking statements represent EFG's judgments and expectations and are subject to known and unknown risks, uncertainties and other factors that may result in a substantial divergence between the actual results, the financial situation, and/or the development or performance of the company and those explicitly or implicitly presumed in these statements. These factors include, but are not limited to: (1) the ability to successfully realize the synergies expected from the integration of BSI SA ("BSI"), (2) general market, macroeconomic, governmental and regulatory trends, (3) movements in securities markets, exchange rates and interest rates, (4) competitive pressures, and (5) other risks and uncertainties inherent in the business of EFG and its subsidiaries, including BSI legacy risks. EFG is not under any obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulation.

Nothing contained herein is, or shall be relied on as, a promise or representation concerning the future performance of EFG and its subsidiaries. EFG may not realize the full benefits of the integration of BSI, including the expected synergies, cost savings or growth opportunities within the anticipated time frame or at all.