04 JULY 2024

UTMOST GROUP ANNOUNCES THE PROPOSED ACQUISITION OF LOMBARD INTERNATIONAL

The acquisition brings together two large-scale insurance-based wealth solutions businesses, strengthening Utmost's position in key European markets and providing a strong platform to serve its clients' long-term financial needs.

Utmost Group plc ("Utmost Group" or "the Group") has entered into an agreement to acquire Lombard International Assurance Holdings Sarl ("the Acquisition"), subject to regulatory and other approvals. The Acquisition encompasses Lombard International's leading European business. Lombard International will become a part of Utmost International, the international life assurance business of Utmost Group.

The acquisition of Lombard International will confirm Utmost International as a leading global provider of international life assurance and strengthens the Group's position in key markets throughout Europe. It brings together two large-scale businesses with closely aligned operating models and a shared commitment to serving our clients' long-term financial needs. By combining the existing distribution partner relationships, deep local market knowledge and a complementary product suite, the Acquisition provides a strong platform for the Group to serve its clients and execute on its strategic ambitions.

FINANCIAL AND OPERATIONAL BENEFITS

› **Confirms Utmost International's Leading Market Position**
The Acquisition will add £43bn of assets under administration and over 20,000 policies to Utmost International. On a combined basis at YE 2023, Utmost International would have had £100bn of assets under administration and over 210,000 policies, and would have written £6.4bn of new business.

› **Operational Integration**
Lombard International will continue to operate from Luxembourg with its existing suite of products. These will be distributed under the Utmost brand by a single combined global salesforce in parallel with Utmost's existing products, maintaining the combined group's existing distribution models.

› **Strong potential for efficiencies and value creation**
The increased scale achieved through the Acquisition will enable the Group to identify opportunities for efficiencies and capital synergies. The Group will focus on leveraging the complementary capabilities of the combined entity to deliver value creation for stakeholders.

› **Maintains balance sheet strength, resilience, and flexibility**
The Group's capital strength will remain strong. On a proforma basis, had the transaction completed on 31 December 2023, the Group would have had:

- An increase in Gross Solvency II EV from £2,386 to £3,150m;

- A Group Solvency Capital Requirement (SCR) Coverage Ratio of 173%, and;

- A Group leverage ratio of 29%, within our 20-30% target range.

› **Financing Structure**
The total consideration will be financed through a £200m bank loan, with the remainder covered by existing cash reserves.

› **Transaction Timeline**
Subject to regulatory approvals, the Acquisition is expected to complete by the end of 2024.

Commenting on the Acquisition, Paul Thompson, CEO of Utmost Group said:

"The acquisition of Lombard International marks an exciting milestone in Utmost's journey, fortifying our European position and establishing us as a leading global provider of insurance-based wealth solutions. The combined strength of the merged Utmost International and Lombard International gives added scale to the Group. It will enable us to better serve our expanded international client base and distribution partners, utilising deep market insights, strong technical expertise and a broader portfolio of products.

"The addition of Lombard International is highly complementary to Utmost's previous transaction - the acquisition of Quilter International completed in November 2021 - which strengthened our presence in the UK and Asia. Lombard International's established, longstanding networks in Europe will enhance Utmost's global credentials and enable us to better serve our clients and partners, delivering long-term value for our people and shareholders.

"I look forward to welcoming Lombard International's people, clients and partners to Utmost and to working closely with the Lombard International leadership on completing this transaction."

Commenting on the Acquisition, Stuart Parkinson, CEO of Lombard International Group said:

"This acquisition signifies a new and exciting chapter for Lombard International, ushering in a period of expanded opportunities for our clients, partners and employees. The combined Group will deliver unparalleled service and expertise to support the evolving wealth planning needs of our clients.

"The strategic fit of Lombard International and Utmost, with aligned focus on growth and client centricity, will enable the combined entity to continue on its growth trajectory and seize the opportunities that lie ahead."

Commenting on the Acquisition, Florent Albert, Managing Director of Lombard International Assurance said:

"I am delighted that Lombard International is to join Utmost. Utmost have established themselves as a leader in the insurance-based wealth sector, and I am confident that they will be excellent stewards for Lombard International's clients, partners and employees.

"I look forward to working closely with Paul, Ian and the rest of the Utmost leadership team to embed Lombard International into Utmost International."

FOR FURTHER INFORMATION, PLEASE CONTACT

Utmost Group plc

Utmost Group Press
Tel +44 (0)203 861 4343
Email press@utmostgroup.com

Temple Bar Advisory

Alex Child-Villiers / Sam Livingstone / Alistair de Kare-Silver
Tel +44 (0)20 7183 1190
Email utmost@templebaradvisory.com

04 JULY 2024

ABOUT UTMOST GROUP PLC

Utmost Group plc is a leading provider of insurance and savings solutions. Its principal businesses are Utmost International and Utmost Life and Pensions, which together are responsible for £62.8bn of primarily unit-linked policyholder assets for around 500,000 clients. Utmost Group plc is subject to Group Supervision by the PRA.

ABOUT UTMOST INTERNATIONAL

Utmost International is a leading provider of insurance-based wealth solutions. Utmost International operates across the UK, Europe, Latin America, Asia and the Middle East. Its solutions are based on unit-linked insurance policies. Utmost International manages £55bn of assets under administration on behalf of almost 200,000 policyholders and wrote £3.6bn of new business in 2023.

ABOUT LOMBARD INTERNATIONAL

Lombard International is a leading provider of wealth, estate and succession planning solutions with over 30+ years' experience, delivering an excellent level of service across multiple jurisdictions, with a deep understanding of local regulations, cultures and attitudes. It has the strength and expertise to support upper affluent, high net worth and ultra-high net worth individuals and their families protect, preserve and pass on their legacy to future generations.

Group assets under administration are €49.4 billion as of 31 December 2023.