



Media Release Date: 26 September 2017

## **Managed Accounts proposed merger with Linear Financial**

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Managed Accounts Holdings Limited (“Managed Accounts”) (ASX: MGP) is pleased to announce it has submitted a non-binding conditional proposal to undertake a merger with Linear Financial Holdings Pty Ltd (“Linear”) by acquiring 100% of the shares of Linear.

On completion of the merger, the combined entity will become a leader in the managed account, platform and non-unitised administrative sector in Australia, with funds under administration exceeding \$11 billion.

Managed Accounts Executive Chairman Don Sharp said: “The proposed transaction represents the execution of the acquisition component of the company’s growth and development strategy as outlined in the most recent annual report and quarterly report”.

Sharp added; “The two businesses are largely complementary. As well as being a long standing provider of managed accounts, Linear has recently carved a niche in the stockbroking and institutional markets which complements Managed Accounts’ primary focus on the independent financial advisory market.”

In commenting on the future of the merged entity, David Heather, Managed Accounts Chief Executive Officer said: “We plan to draw on strengths of each existing business to enhance the other. The proposal involves bringing two lean and efficient organisations together which will use shared corporate, business development and relationship management resources to enhance existing client relationships and actively target growth across market segments. The complementary nature of the two businesses will be a major driver of growth and we expect the transaction to be significantly accretive for Managed Accounts shareholders post FY18.”

“Both firms have a track record of ‘the best of the best’ in terms of technology, which the merged entity will build upon. And with Linear being based in Melbourne and Managed Accounts in Sydney, this provides the merged entity with a footprint in the two largest markets in the country. Most importantly, there is symmetry in the two corporate cultures, with an alignment of values, outlook and aspirations”, Mr Heather said.

The merger proposal places an enterprise value of \$42.5 million on Linear with consideration for Linear shareholders to include up to \$8 million cash and a minimum of \$14 million of MGP scrip to be issued at \$0.33 per MGP share.

Ends

### **About Managed Accounts**

Managed Accounts Holdings Limited (ASX: MGP) is a financial services company established in 2004, specialising in non-unitised administration. Its focus as a non-conflicted specialist managed account provider allows it to create, operate and administer customised managed discretionary account solutions for a growing number of Australia’s leading independent financial advisers, stockbrokers, investment managers and institutional clients. For further information, please visit: [www.managedaccounts.com.au](http://www.managedaccounts.com.au)

### **ASX announcement attached**

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