

# Looking for the lion's share of UHNW trust

*A former UBS Wealth Management trio is starting to make waves in the investment and advisory sector with a unique position that offers UHNW clients access to some novel deals across Asia.*

As new-kids-on-the-block go, Lioncrest Global has an advantage emanated from a position of ingrained strength.

Its three founding partners are all former UBS heavy-hitters who are now looking to claim their niche in the ever-complex and competitive world of independent investment advice.

The venture came about after Peter Tung, Valerie Chou and Johan Riddergard perceived a chink in the investment armory – and then launched their own firm in November 2016.

Already by early 2017 the firm formed various alliances to further its objectives and accelerate the value and access it has to offer to HNW and UHNW clients.

The first deal, with Swiss-Asian investment firm Pier99 Capital, allows the two firms to work jointly on bringing attractive and unique venture capital and private equity deals to their

respective clients. Lioncrest Global then inked a partnership pact with Ops Capital, a boutique corporate consultancy, to complement the first agreement, since a majority of Ops Capital's deals and investors come from South-east Asia.

The latest innovative step was an agreement in early March with APrivacy, making Lioncrest Global the first investment and advisory firm to have access to secure communications solutions usually reserved for large financial institutions. It enables the firm to exchange information, and send client statements, via any channel without the need for a password, token or login, yet with proof of delivery and advanced business intelligence and compliance analytics.

## A FRESH FOCUS

There were various reasons why Tung, Chou and Riddergard left UBS – but there was a collective view among



**JOHAN RIDDERGARD**  
Lioncrest Global

the three that the private banking industry leaves a lot to be desired in terms of how it serves its clients, and how it operates.

“We felt that we could do things differently in a way that would be better for clients, and very attractive for the client advisers who would want to join us,” explains Riddergard.

The firm can now also do things that aren't necessarily possible within a private bank.

For example, says Riddergard, the firm can work in a bit more of a flexible and broader, way. “Our objective is also to expand our presence beyond Hong Kong to Singapore in the medium term – possibly quicker depending on when we can find the right local partners and advisers to work with in Singapore.”

Riddergard. “So they are looking for ways to do that, with interesting opportunities to achieve that goal.”

#### **FINDING NEW OPPORTUNITIES**

The firm is agnostic when it comes to the kind of opportunities it offers to clients, as long as the partners believe it offers a way to generate meaningful returns, plus fits with the firm's focus on absolute returns.

“We pride ourselves on finding things which are not available through the traditional banks,” explains Riddergard.

With respect to banking partners, Lioncrest Global has been exploring and

#### **A TREND WITH MOMENTUM**

The move by the Lioncrest Global founders reflects what the market has seen in terms of more and more experienced wealth managers in Asia deciding to step away from the corporate culture, where clients are more institutionalised.

Based on the perceptions of conflicts of interests with clients and of self-serving house views, this growing number of practitioners are leaving financial institutions to form their own independent firms and be able to work in a deeper and more holistic way with a select group of clients.

“If I have to pinpoint one thing which for us is exceptionally important, it is that there is a clear firewall between the unit serving independent asset managers and the unit serving private banking clients,” explains Riddergard.

“This is for the obvious reason that we want to protect our client relationships and we are very conscious that no information should flow between two internal departments of the bank.”

At the same time, he and his fellow partners at Lioncrest Global want to offer clients access to a broader range of banking partners and custodian banks, but they have to offer something unique.

“We see a strong future demand for Variable Universal Life, and finding partners for custody, premium financing and investments, where clients' interests are put first and we as investment managers are allowed to offer the best investment solutions to our clients, but also potentially to clients of the partner, will be important. So I think a mix of partners is important,” he adds. ■

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The client sweet-spot are those individuals or families who have somewhere between USD20 million and USD100 million in liquid investible assets.

In most private banks, these are considered the lower end of UHNW. And with Tung and Chou's roles at UBS as head of UHNW Greater China and head of Global Family Office for Asia Pacific, respectively, they see these clients as being to some extent underserved today. “This is the segment which wants to move up into the higher end of the UHNW category,” adds

talking to most providers in the market.

“In reality, you never choose to have only one custody partner,” he explains.

“As an independent asset manager, one must have multiple choices. It is a question of how many and what each one contributes, because they are somewhat different.

As an independent asset manager, we will always be in a position to offer everything that private banks can deliver. It is a matter of effectively being a client of them for their external asset manager platform.”