

Catella Secures Continued Control Over IPM

Stockholm (HedgeNordic) – Swedish asset manager Catella secured continued control over systematic investment manager IPM Informed Portfolio Management AB (IPM) after signing an agreement to purchase shares from several shareholders in IPM B.V., a Dutch holding company owning approximately 75% of IPM. IPM has been a subsidiary of the Catella Group since 2014 through direct and indirect ownership of 50.7% combined with a shareholder agreement with some minority shareholders.

Before the freshly-announced deal, Catella's ownership in the Dutch holding company stood at approximately 40%. As the shareholder agreement expires this month, Catella seeks to obtain a controlling position in the holding to secure continued control over IPM. More specifically, Catella will acquire between 10.0% and 13.3% of the shares in IPM B.V. from existing shareholders, who are in senior management positions at the firm, for an estimated consideration ranging from SEK 160m to SEK 212 m. The final transaction amount depends on certain conditions, including the management company's financial performance for 2017.

Post-deal, Catella's collective direct and indirect ownership in IPM will fall in the range of 58.3% and 60.7%. Although Catella will increase its stake, no significant changes are anticipated to occur as a result of the transaction. The terms of the deal suggest an enterprise value of SEK 2 billion. The firm is widely known for its successful macro hedge strategy, which, together with a systematic equity strategy, attracted more than SEK 70 billion in assets under management from institutional clients worldwide. IPM has operated independently under Catella's umbrella since becoming a subsidiary in January 2014.