



Catella acquires shares from holders including Catella Group executives to secure continued control over IPM

In order to secure continued control over IPM Informed Portfolio Management AB ("IPM AB"), Catella has agreed with a number of shareholders in the parent company, IPM Informed Portfolio Management B.V. ("IPM B.V."), to acquire shares in IPM B.V. The consideration paid will depend upon certain conditions and is expected to amount to SEK 160–212 million. The conditions of the agreement include approval by the general meeting of shareholders in Catella AB (publ), as well as regulatory approval.

IPM AB has been consolidated in the Catella Group since 2014 through direct and indirect ownership (via IPM B.V.) of 50.7 percent of equity combined with a shareholder agreement with a number of significant minority shareholders. In order to secure control after the shareholder agreement expires, Catella has agreed with a number of existing shareholders, who are in senior management positions with IPM AB and thus also executives within the Catella Group ("the Executives"), to acquire shares in IPM B.V. to secure continued control over IPM AB. The acquisition is structured as a bid to certain shareholders in IPM B.V. and the Executives have committed to selling shares to Catella to such an extent that Catella will obtain a controlling position in IPM B.V. through the bid ("the Guarantee"). Catella will acquire between 10.0 percent and 13.3 percent of the shares in IPM B.V. through the bid, and the deal is based on an enterprise value for IPM AB of approximately SEK 2 billion. After the transaction, Catella will own, directly and indirectly, between 58.3 and 60.7 percent of equity in IPM AB. The consideration paid will depend on factors including IPM AB's financial performance for 2017 and the level of support for the bid, and is expected to amount to SEK 160–212 million.

Under the agreement with the Executives, Catella has, in exchange for the Guarantee, given the Executives the option to sell their remaining holdings in IPM to Catella on certain conditions in five years ("the Option"). The Executives also wish to remain significant shareholders in IPM after the bid and Catella has therefore extended an offer to repurchase shares in the subsidiary IPM AB if the Executives are required to fulfil their guarantee commitment ("the Repurchase").

The bid, the Option and the Repurchase are conditional, in part upon approval by the general meeting of shareholders in Catella AB (publ). The bid and the Option involve the acquisition of shares from senior management of IPM AB. IPM is a subsidiary of Catella and, according to generally accepted practices in the Swedish stock market, the acquisition thus requires approval by a simple majority of the general meeting of shareholders in Catella AB (publ). The Repurchase requires the support of at least nine-tenths of the votes cast and the shares represented at the general meeting according to the "Leo rules". Shareholders in Catella representing a total of 49.8 percent of the shares and 49.1 percent of voting power in Catella have committed to voting in favour of the bid, the Option and the Repurchase. Under the agreement with the Executives, the bid and the Option will be executed even if the Repurchase is not approved. The Board of Directors of Catella will convene an extraordinary general meeting during the first quarter of 2018 to consider the resolutions necessary to execute the transaction.

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In addition, the transaction is conditional upon approval by the financial supervisory authority in Luxembourg, *Commission de Surveillance du Secteur Financier (CSSF)*. As soon as all conditions are met, Catella will own the shares in IPM B.V. Until then, Catella will have the right to vote for more than 50 percent of the shares in IPM B.V. by proxy issued by the Executives.

During Catella's tenure as its largest shareholder, IPM AB has operated its business independently under its own brand and has successfully expanded the business and attracted substantial international capital while building a robust administration and control organisation in order to meet comprehensive regulatory requirements. Going forward, Catella intends to actively facilitate sustained strong development in the same spirit, and to leverage its ownership to promote financial and operational stability and continuity in the business.

About IPM AB

IPM AB is a systematic investment manager known mainly for its very successful and award-winning macro hedge strategy. The strategy has, along with systematic equity management, attracted more than SEK 70 billion in assets under management from institutional clients in the United States, Europe and Asia.

IPM AB was founded in 1998 with the purpose of delivering robust investment strategies with a systematic investment process to institutional investors. Today, IPM is primarily recognised for its systematic macro strategy, as well as its systematic equity strategy, which is built on similar investment principles.

IPM AB's investment strategies are based on economic theory and rely on the belief that market prices fluctuate around the true fundamental value of financial assets. IPM AB designs methods to model these movements in order to generate high risk-adjusted return, with low correlation to other asset classes. The investment process is entirely systematic and well-diversified in terms of strategies, asset classes and individual instruments. Effective risk management is utterly central to modelling and management alike.

This information is insider information that Catella AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out below, at 09:00 CET on 27 November 2017.

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