



Catella divests Wealth Management operations in Luxembourg to VP Bank

Catella Bank S.A., a fully owned subsidiary of Catella AB (publ), has entered an asset transfer-agreement to divest its Wealth Management operations in Luxembourg to VP Bank (Luxembourg) SA as part of the previously announced strategic review, for approximately SEK 110 Million.

The Swedish Wealth Management division and the Card Issuing-operations is not part of this transaction and the strategic review is ongoing with regards to these two operations. As previously announced Catella aim to exit the consolidated situation due to the extensive regulatory framework and inefficient capital-structure it entails. Divesting the Wealth Management operations in Luxembourg is a step in that direction and an important part of this process has been to find a counterparty who can understand and meet our customers' demands. Catella has evaluated various options and found the optimal conditions, for customers and employees, in VP Bank who is a partner and employer with a strong and long-term offering.

“VP Bank has the ambition and capacity to further develop the private banking offer to Catella’s wealth management-customers in Luxembourg. Catella and VP Bank will also enter a distribution partnership to develop and provide products for the Nordic and European markets. This provides a great opportunity for Catella to distribute alternative products through a large and credible partner. The transaction is also an important step towards a more efficient capital-structure and less extensive regulatory framework,” Knut Pedersen, CEO of Catella Group, comments.

“The transaction with Catella Bank S.A. underscores the growth ambitions of VP Bank Group and contributes significantly to the expansion of our activities in the Scandinavian market. Due to the international orientation, strong balance sheet and comparable ownership of VP Bank, we have ideal conditions to rapidly integrate the acquired customers and employees”, states Alfred W. Moeckli, CEO of VP Bank Group.

The balance sheet total of Catella Group will decrease by approximately SEK 2 Billion as both assets and liabilities will be transferred to VP Bank due to the transaction which is structured as an asset deal. The consideration is depending on certain conditions related to assets under management upon closing. The transaction is expected to be completed the first of February 2019.

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About VP Bank

VP Bank Ltd was founded in 1956 and is one of the largest banks in Liechtenstein with 892 employees at mid-year 2018 (full-time equivalent 828). It currently has offices in Vaduz, Zurich, Luxembourg, Singapore, Hong Kong and Road Town on the British Virgin Islands. VP Bank Group offers bespoke asset management and investment consultancy for private individuals and intermediaries. Due to the open architecture, clients benefit from independent advice: The products and services of leading financial institutions as well as in-house investment solutions are included in client recommendations. VP Bank is listed on the Swiss stock exchange SIX, and has an "A" rating from Standard & Poor's. The bank has a sound balance sheet and capital base. Its anchor shareholders take a long-term view, guaranteeing continuity, independence as well as sustainability.

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