

PATRIZIA wins mandate dedicated to real estate debt, further strengthening its position as a leading global real assets player

- Hong Kong insurer invests first tranche of USD 50 million committed capital in new PATRIZIA real estate debt product
- High yielding PATRIZIA Global Real Estate Debt mandate expected to deliver annual net returns of over 8% in USD terms
- New debt mandate follows recent acquisition of Whitehelm Capital, which offers infrastructure debt aside from equity and publicly listed infrastructure investments

Augsburg / Copenhagen 3 November 2021. PATRIZIA AG, a leading partner for global real assets, has taken on a new mandate purely focused on real estate debt and is strengthening its position as a leading independent global real assets investment manager.

The PATRIZIA Global Real Estate Debt mandate is now operational and aims to invest the initial USD 50 million of capital in up to four investments across Europe and APAC. It will target annual net returns of over 8% in USD terms. The client is a leading Hong Kong insurer who has committed an initial sum of USD 50 million with an intention to expand the mandate further.

Through its subsidiary, PATRIZIA Global Partners (PGP), the company already has a substantial track record of over a decade in real estate debt investments through local partners and can point to over USD 2 billion indirect exposure in real estate debt investments across Asia, the US and Europe and over 130 loans.

“In a world of low interest rates, long-term investors such as insurers and pension funds are increasingly looking at alternative strategies in private markets to secure higher returns. That is why there is currently a growing appetite for private debt and such investment products,” said Marko Multas, Head of Asia, PGP and fund manager of the new product. “We believe that real estate debt will offer attractive opportunities for new and existing clients. Many traditional lenders like banks have retreated from our target markets, opening up an opportunity for us to provide our clients with access to very attractive yields and diversification. It therefore makes a lot of sense for us to offer real estate debt opportunities for our clients.”

PATRIZIA’s new debt mandate follows its earlier announcement in September that it was acquiring Whitehelm Capital, an independently owned infrastructure investment manager, with a track record in private equity and debt spanning over 23 years. The acquisition, once closed, is set to triple PATRIZIA’s infrastructure AUM to circa EUR 5 billion and PATRIZIA is aiming to grow the segment in the mid-term to EUR 15 to 20bn.

PATRIZIA: A leading partner for global real assets

As a company with operations around the world, PATRIZIA has been offering investment opportunities in real estate and infrastructure assets for institutional, semi-professional and private investors for 37 years. PATRIZIA manages more than EUR 48 billion in assets and employs over 800 professionals at 24 locations worldwide. PATRIZIA has been impact investing since 1984. Since its inception and through the PATRIZIA Foundation, the company is committed to social responsibility. The Foundation has helped over 230,000 children in need worldwide gain access to education and thus, has given them the chance of a better life over the last 21 years. You can find further information at

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“Whitehelm is a perfect strategic match for PATRIZIA. With this transformational acquisition that significantly expands our infrastructure expertise, we ascend to the next level as a global partner for real assets. And we strengthen our footprint in APAC to support our growth opportunities in the region”, comments Thomas Wels, Co-CEO PATRIZIA. “We are in a sweet spot to benefit from the fast-growing global infrastructure market. Whitehelm and PATRIZIA’s unique complementary expertise will be a springboard to grow our infrastructure AUM dynamically and at the same time accelerate the execution of our ESG strategy.”

Graham Matthews, Chief Executive and founding shareholder of Whitehelm, comments: “It was absolutely essential for us to find the right partner who brings clear additional value to our clients, embraces long-term thinking and has a strong track record in the industry. So, we are really excited about partnering with PATRIZIA as they are a perfect cultural and strategic fit for us. Their strong entrepreneurial mindset and track record as an independent investment manager really impressed us. PATRIZIA will enable us to expand our client reach in Europe and offer attractive infrastructure investment opportunities to PATRIZIA’s large international institutional and private investor base. The combination of our expertise, portfolio offering, and global footprint will bring many attractive long-term investment opportunities to all our stakeholders.”

Strengthening PATRIZIA’s real asset expertise and accelerating ESG strategy execution

Through the transaction, PATRIZIA will be well positioned to leverage the predicted strong demand for infrastructure over the next 20 years for its clients. Global infrastructure investments are expected to rise by 35% from currently USD 2.8 trillion to over USD 3.8 trillion a year by 2040 (Source: G20 Global Infrastructure Outlook). PATRIZIA’s clients will benefit from the expected construction super cycle and stable infrastructure returns thanks to the significantly expanded infrastructure investment opportunities provided by Whitehelm.

The acquisition also accelerates the execution of PATRIZIA’s sustainability strategy execution with the clear ambition of achieving net zero carbon emissions in respect of more than 70% of AUM by 2040. Whitehelm is a signatory of the United Nations Principles for Responsible Investments, UN PRI, and achieved an A+ rating from the initiative, the highest score for overall implementation of ESG in its strategy and governance activities. Whitehelm recently celebrated the fifth anniversary of its Low Carbon Core Infrastructure Fund.

Delivering on communicated strategy and further improving PATRIZIA’s earnings quality

The acquisition will further enhance PATRIZIA’s quality of earnings and stability of revenues to create long-term value for shareholders – more than 80% of Whitehelm’s revenues come from highly recurring management fees with long duration. The transaction is fully in line with PATRIZIA’s communicated strategy to become a leading partner for global real assets.

The initial purchase price payment for the fully complementary acquisition is EUR 67 million payable in cash and PATRIZIA treasury shares. The total purchase price is based on an earn-out structure and can reach a low three-digit EURm amount if ambitious mid-term revenue growth targets are met. The earn-out will also be paid in a combination of cash and PATRIZIA shares. Whitehelm shareholders have agreed to a lock-up period for the PATRIZIA consideration shares, fully aligned to the interests of PATRIZIA shareholders.

Closing of the transaction is subject to regulatory approvals and is expected to take place in Q1 2022.

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