

Transformational acquisition of infrastructure investment manager Whitehelm Capital strengthens PATRIZIA as a leading partner for global real assets

- Acquisition of Whitehelm, an international infrastructure asset manager, triples PATRIZIA's infrastructure Assets under Management (AUM) to c. EUR 5bn with mid-term goal to grow the segment to EUR 15 to 20bn
- Clients will benefit from a much broader and more diversified infrastructure investment offering, including smart cities & digital infrastructure, de-carbonisation & energy transition, water and environmental services, social infrastructure and transport
- Acquisition strengthens PATRIZIA's global footprint, in particular in APAC, and accelerates path to achieve net zero carbon emissions in respect of more than 70% of AUM by 2040
- Initial purchase price of EUR 67m will be paid in a combination of cash and PATRIZIA shares with current Whitehelm team incentivised to drive further growth of PATRIZIA's infrastructure business

Augsburg, London, Sydney, 13 September 2021. PATRIZIA AG, a leading partner for global real assets, has entered into a share purchase agreement for the transformational acquisition of Whitehelm, an independently owned infrastructure manager with an outstanding track record spanning over 23 years. With the acquisition, PATRIZIA will further strengthen its position as a leading global real asset investment manager and increase its Assets under Management (AUM) to over EUR 50bn in line with its mid-term growth strategy. The acquisition will triple PATRIZIA's infrastructure AUM to circa EUR 5bn and PATRIZIA is aiming to grow the segment in the mid-term to EUR 15 to 20bn.

Whitehelm's product offering and investment expertise will significantly broaden PATRIZIA's portfolio of investment solutions with a particular focus on smart cities & digital infrastructure, de-carbonisation & energy transition, water and environmental services, and social infrastructure, across equity, debt, and public listed infrastructure investments.

With more than 60 investment specialists in Australia and Europe and a track record of more than 100 infrastructure investments, Whitehelm has achieved for its clients an Internal Rate of Return (IRR) of 11.9% for global core infrastructure investments since inception. Whitehelm's investment clients are predominantly pension funds located in APAC and Europe. With offices in Sydney, Canberra and London, Whitehelm will further expand PATRIZIA's global reach and strengthen its footprint in APAC supporting PATRIZIA's growth strategy in the region. Whitehelm currently manages EUR 3.2bn AUM with EUR 1.6bn additional commitments and has over EUR 22bn funds under advice for institutional, government, and private clients in Australia.

"We are delighted to welcome Whitehelm to PATRIZIA. The combination of our strengths, expertise and global footprint is highly complementary and will enable us to create significantly more investment choices for our clients", says Wolfgang Egger, CEO and founder of PATRIZIA. "Whitehelm and PATRIZIA also represent a perfect cultural fit. We both put clients first to provide superior services. We both have a strong track record as independent investment managers being close to our clients and creating value for them. And we share a clear commitment to sustainability and making an impact. This acquisition represents a key milestone to strengthen our offering as a leading partner for global real assets."

“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 67m 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.

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. Through its PATRIZIA Children Foundation, PATRIZIA 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 www.patrizia.ag

Whitehelm Capital

Whitehelm is one of the worlds most experienced infrastructure managers, partnering with clients to invest in true infrastructure assets for over 23 years. Whitehelm has EUR 6.9 billion invested across 108 direct infrastructure debt and equity investments since inception and EUR 3.2 billion of funds currently under management. Whitehelm Advisers, the asset consulting arm of Whitehelm Capital and a leading provider of investment advice to institutional, government and higher education clients in Australia, manages over EUR 22 billion of assets under advice.

Whitehelm has successfully generated attractive returns from infrastructure assets for its investors for over two decades by investing in true infrastructure assets that provide predictable cash returns. Whitehelm offers investors access to infrastructure assets across geographic markets, as well as across the full spectrum of the asset class including unlisted infrastructure, listed infrastructure, and infrastructure debt.

You can find further information at www.WhitehelmCapital.com

Contacts:

Christoph Liedtke
Head of Corporate Communications
Phone: +49 821 509 10-636
communications@patrizia.ag

Greg Morsbach
Corporate Communications
Phone: +44 7889 995604
greg.morsbach@patrizia.ag