

Media Release

Award-winning Sanlam businesses merge, rebrand to better serve clients

Cape Town, 26 August 2015: With the support of Sanlam Investments, two award-winning businesses within its fold are joining forces to create an independent business under a separate brand. Known as Denker Capital, the merger will bring together SIM Global and SIM Unconstrained Capital Partners.

Denker Capital will enable both businesses to capitalise on opportunities created by greater diversification and enhanced scale to the benefit of clients. Sanlam Investments clients can already choose between passive, alternative, Africa-focused, and the SIM houseview benchmark-cognisant active managers. Now they will also enjoy access to an unconstrained active management business with a comprehensive fund offering.

According to Sanlam Investments chief executive, Johan van der Merwe, the merger is in line with the Sanlam Group's entrepreneurial approach, enabling the best people to drive investment performance for clients in the most appropriate structures. In particular, a boutique model backed by the strong operational and distribution capabilities of Sanlam provides the ideal model for the portfolio managers involved here. Denker Capital will establish itself as an independent and owner managed business with its own cultural autonomy and vision. Sanlam Investments will have a 49% shareholding, management will own 42% and the balance will be held by a share trust.

"The merger between these two top businesses is a logical evolution of the collaboration that has already taken place between them over the years to enhance each unit's offering to clients," Van der Merwe says.

SIM Global is an entrepreneurial unit within Sanlam Investments with almost R9 billion in assets under management. It is independent from the active manager Sanlam Investment Management in terms of philosophy and investment process and decisions, while making use of the latter's infrastructure and facilities.

Managed by Kokkie Kooyman, SIM Global was created in February 2004 to focus on global financial markets. Kooyman received UK based publication Investment Week's Fund Manager of the Year award for four years in a row, from 2010 to 2013. SIM Global's funds have won several awards over the years, including Raging Bull awards and the Lipper Award (UK).

SIM Unconstrained Capital Partners is a stand-alone business within Sanlam Investments with around R11 billion in assets under management. The business was set up in 2011 to allow the portfolio managers, Claude van Cuyck and Ricco Friedrich, to give their undivided attention to managing the SIM Unconstrained Equity Fund and the award-winning SIM Value Fund. Van Cuyck and Friedrich have won several Raging Bull and S&P awards.

Kooyman says the combined business will be able to offer a broader choice of investments to meet client demand. “In future Denker Capital will be able to offer solutions according to client risk appetites. Denker Capital will allow us to move from providing niche funds to providing solutions. The larger business will enable us to use technology efficiently and provide an even better service to clients.”

“Denker Capital will lead to enhanced investment synergies between local and global opportunities, and brings together two teams which already have a great fit in terms of investment thinking and leadership culture,” says Friedrich.

The SIM Global team of 10 investment professionals, 3 portfolio managers and 7 analysts has a combined 140 years of experience, whereas the SIM Unconstrained Capital Partners team of 5 investment professionals, 3 portfolio managers and 2 analysts has a total of 67 years of experience and expertise to offer clients.

Friedrich says while the combined business will offer significant benefits to both existing and future clients of SIM Global and SIM Unconstrained Capital Partners, existing clients will not be impacted on an operational level. “The funds, processes and structures of the two businesses will remain exactly the same. It will be business as usual for the portfolio managers of all the funds. They will continue to employ the same common investment philosophy that has delivered award-winning performances across the fund ranges.”

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