

Krupa Global Investments increased position in GAM to nearly 3 %, had effective meeting with CFO Richard McNamara

Krupa Global Investments (“KGI”) is one of the largest shareholders of GAM Holding AG. We increased our stake in GAM, currently holding nearly 3 % stake in shares, options and CFDs.

KGI had very constructive meeting with GAM’s management in early August of 2019 in Zurich, Switzerland. Chairman of KGI Pavol Krupa met with CFO Richard McNamara and talked about recent issues in GAM. KGI is glad that management reacted to questions regarding Tim Haywood scandal and other issues mentioned in open letter released few months ago:

https://www.krupainvestments.com/content/uploads/2019/06/kgi_open-letter-to-gam-holding_20-6-2019.pdf

“Management clearly explained to us the successful sale of ARBF funds with premium given to clients which we see as positive step towards greater value for shareholders. Management ensured us that Tim Haywood scandal was one time mistake. The agreement with Mr. Haywood is a clear sign that there will no other issues which would further harm shareholders. Bringing new CEO Peter Sanderson to the GAM will solve reputation damage and will increase image and credibility of GAM funds, which we welcome. GAM funds has strong record of outperforming their respective benchmark by roughly 80 % even in volatile times. In my opinion, GAM shares are undervalued with significant takeover potential as we will see significant market consolidation in asset management space in coming years,” said Pavol Krupa, chairman of KGI.

KGI is a spin-off from private equity group Arca Capital with AUM of €2bln. Our opportunistic business utilizes an activist investment approach in order to improve management practices, increase returns, and protect the interests of small shareholders. To further our objectives, we enlist the support of key partners when needed. For example, we invited Carl Icahn to involve himself and help increase the price on a problematic buyout transaction involving AmTrust Financial Services:

<https://www.reuters.com/article/us-amtrust-fin-serv-stake-icahn/carl-icahn-files-lawsuit-against-amtrust-controlling-family-idUSKCN1IM1UJ>

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