

AXA IM further strengthens its capabilities in private markets with the acquisition of W Capital Partners

03 April 2024 | AXA Press Release

AXA Investment Managers (AXA IM) announces that it has entered into an agreement to acquire W Capital Management LLC (also known as W Capital Partners or 'WCP'), a US-based private equity firm specialising in GP-led and direct secondary investments. WCP will sit within AXA IM Prime ('Prime'), AXA IM's fully integrated provider of investment solutions across private markets, including private equity, private debt, infrastructure and hedge funds.

Founded in 2001, W Capital Partners has been a pioneer in providing secondary market liquidity solutions to private equity General Partners ('GPs'). With this transaction, AXA IM affirms its ambition to further diversify its private markets offering in the growing and evolving private equity secondaries sector, which has seen more than \$85 billion raised and \$111 billion of transaction volumes in 2023¹.

Additionally, AXA IM Prime will strengthen its presence in North America, including the US, which is one of the most important regions for secondaries investing, and WCP will benefit from additional exposure and deal flow in the US and globally.

Alongside the acquisition, relying on the WCP team's established investment track record, AXA has committed \$200 million to WCP's secondaries investment strategy.

Marco Morelli, Executive Chairman of AXA IM, said: *"We are delighted to join forces with W Capital Partners, which is well-established in the US and known for its strong expertise. It is a unique opportunity to provide our clients with access to new sources of value creation while scaling WCP's platform."*

Pascal Christory, Chief Executive Officer of AXA IM Prime, added: *"This acquisition is another significant step for AXA IM Prime. Our vision since launching in 2022 is to be a leading global full-service capital solutions provider to GPs in the rapidly growing private markets. We had identified GP-led and direct secondaries as a key strategy for our portfolio of private equity products and had been looking for an approach that would combine the right levels of creativity, valuation skills and structuring expertise. We found the perfect partner in W Capital Partners and are excited about this new alliance, which will bring differentiated and high value investment strategies for our clients"*.

David Wachter, Managing Partner and co-founder of W Capital Partners, said: *"We are thrilled to be joining AXA IM Prime. As a pioneer in GP-led and direct secondaries, this partnership will allow us to deliver, at a larger scale, the relationships and structuring expertise we have worked hard to develop for our GP partners and our investors. With a common culture and vision, we look forward to working closely with the Prime team to provide a range of solutions in our rapidly growing and highly innovative market."*

The completion of the transaction is subject to customary closing conditions and is expected to take place in the course of Q2 2024.

About AXA IM Prime

Launched in 2022, AXA IM Prime is the Private Markets Enabler and Hedge Funds platform of AXA IM with c. €35 billion of assets under management as at the end of December 2023. It offers global and diversified private market solutions through primaries, secondaries and co-investments across private equity, infrastructure equity, private debt and hedge funds.

As both a principal investor and a General Partner, AXA IM Prime holds a deep understanding of client needs and offers a differentiated, global perspective of the investment world. It aims to create sustainable value for its clients, integrating ESG practices and encouraging ESG best practices within the industry.

About W Capital Partners

W Capital Partners ('WCP'), founded in 2001, is a GP solutions secondary investor providing secondary liquidity solutions in market-leading private-equity-backed companies. WCP's GP solutions strategy includes (i) direct secondaries structured as minority recaps or direct share purchases and (ii) GP-led secondaries structured as continuation funds or customized vehicles in collaboration with a GP partner. WCP manages \$1.9 billion (as at the end of December 2023) of regulatory assets under management with a diversified portfolio consisting of buyout stage, mid-market stage and growth equity stage companies backed by a broad range of GP sponsors.

WCP benefits from having a dedicated strategy as a GP solutions provider with a strong reputation, long-tenured team and two decades of experience within the high-growth GP-led secondary market. Leading GPs are using secondaries to manage returns, improve fund level cash flow and increase holding period flexibility for their portfolio companies. WCP strives to be creative and innovative and adept at offering a range of transaction structures best suited for a variety of situations and GP sponsor partner objectives.

[1] Source: Campbell Lutyens 2024 Secondary Market Overview