

Hansa Investment Company

Combination heralds a bigger, simpler structure

Hansa Investment Company (HICL) yesterday announced that its board has reached a preliminary agreement with Ocean Wilsons' board on the terms of a possible all-share combination. Under the deal, Hansa would acquire Ocean Wilsons' entire share capital, creating an investment company with total assets of >£900m. This transaction would build on Hansa's existing significant shareholding in Ocean Wilsons, which it has held for over 66 years, and represents a further simplification of the group structure following Ocean Wilsons' recent sale of its 56% interest in Brazilian port and maritime logistics company Wilson Sons. The deal has the support of the long-term, strategic shareholders of both Hansa and [Ocean Wilsons](#).

Hansa and Ocean Wilsons are part of the same investment management group. The two companies have similar investment objectives and significant portfolio overlap. It is expected that the combined group would maintain Hansa's existing strategy of investing in a diversified portfolio that combines hard-to-access funds, including private equity, with value-biased global equities and a defensive allocation. The boards of both companies believe this possible combination would build 'a strong platform for long-term value creation'.

Shareholders of the combined group would realise the benefits of greater scale, including improved liquidity for both groups of shareholders, and cost savings, as the fixed costs of running an investment company would be spread over a larger asset base, reducing the aggregate costs currently borne by both sets of shareholders. The management fee rate would be lower, with a tiered fee structure. This combination of cost efficiencies and a lower management fee rate would result in a lower ongoing charge, which would be 'materially more competitive' than the current respective ongoing charge ratios, according to Hansa's announcement. (HICL's ongoing charge at end-March 2024 was 1.0%.)

The combined group would introduce a new capital allocation policy that is expected to enhance returns over time, mainly through the implementation of annual on-market share buybacks of between 2% and 4% of its issued share capital. This policy would prioritise share repurchases over dividends. The boards of both companies believe this to be a more efficient approach to capital allocation, as it would be accretive to shareholder returns compared to returning value to shareholders via dividend payments.

Hansa's board expects the proposed simplified structure and increased scale to broaden Hansa's appeal to investors. In the past, some investors were wary of Hansa's Brazilian exposure, due to its illiquidity, and this has been the main reason why Hansa's shares have historically traded at a deep discount to NAV. The discount has narrowed since the news of the disposal of Wilson Sons, but remains close to 40%. However, yesterday's news has been welcomed by the market – Hansa's share price is now trading at its highest level in more than five years – and, in our view, provides scope for Hansa's discount to narrow substantially.

The exchange ratio of Ocean Wilsons shares to Hansa shares would be set with reference to the relative valuation of Hansa's and Ocean Wilsons' adjusted net assets. The agreement is conditional on the approval of both companies, but the timing of completion remains unclear. Once the deal is finalised, it is proposed that two of Ocean Wilsons' directors, Andrey Berzins and Christopher Townsend, would join Hansa's board.

Investment companies
Global multi-asset

18 June 2025

Price	258.00p
Market cap	£310m
Shares in issue	120.0m
Code/ISIN	HAN/BMG428941162
Primary exchange	LSE
AIC sector	Flexible Investment
Financial year end	31 March
52-week high/low	248.2p 189.3p

Fund objective

Hansa Investment Company was created in 2019 through the redomiciliation of Hansa Trust from the UK to Bermuda. It aims to achieve medium-to long-term growth through a diversified, multi-strategy approach, combining a strategic stake in OWHL with a portfolio of global equities and predominantly third-party managed funds, giving access to primarily non-UK equities, along with more thematic and diversifying funds. Hansa Investment Company does not have a benchmark.

Analysts

Milosz Papst	+44 (0)20 3077 5700
Joanne Collins	+44 (0)20 3077 5700

investmenttrusts@edisongroup.com

[Edison profile page](#)

**Hansa Investment Company
is a research client of Edison
Investment Research Limited**

General disclaimer and copyright

This report has been commissioned by Hansa Investment Company and prepared and issued by Edison, in consideration of a fee payable by Hansa Investment Company. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2025 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.