

Hedge Fund Alert

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SMA Operator Maat Readies First Fund

Startup value investor **Maat Investment**, which has been managing its Europe-focused strategy via separate accounts for about 16 months, has set its sights on debuting a commingled fund by early 2027.

Launched last year by alumni of \$1.2 billion Munich long/short equity manager **Paradigm Capital**, Maat is in talks with potential investors as it looks to build out a founders share class for the offering. The firm, also in Munich, has received its necessary licensing from **BaFin**, Germany's finance regulator, allowing it to begin soliciting outside capital.

Maat began running the concentrated value portfolio in separate accounts in the first quarter last year while it awaited the BaFin approvals. Since that time, the strategy has returned a cumulative 12.3%. This year, it popped 26.8% across April and May, lifting Maat's year-to-date return to 12% through the first five months. The Stoxx Europe 600 gained 5.7% year-to-date through May.

The manager brings a private equity due-diligence framework to its investments in European small- and mid-cap public companies. Though its primary focus is long positions in public equities, it will take positions opportunistically across the capital structure, including long and

short credit investments.

A commingled fund would replicate the separate-account strategy, which now manages less than \$10 million on behalf of nine investors. The firm intends to eventually roll those accounts into the fund. Maat is currently in talks with a number of family offices globally and is expected to close the founders share class at \$60 million. Overall capacity is pegged at \$300 million.

The firm also is organizing and sponsoring the **Ben Graham Centre for Value Investing's** sixth European Value Investing Conference in September in Munich. Maat chief investment officer **Shaun Heelan** will present at the conference, which features a keynote speech from **Markel Group** chief executive **Tom Gayner**.

Heelan – along with director of research **Rahul Dcunha**, chief operating officer **Patrick Moosmann** and head of trading **Dino Mortl** – are veterans of Paradigm. Heelan was a partner and analyst at the long/short hedge fund, where he worked from 2017 to 2024 following time at **DW Partners**, **BlueCrest Capital**, **Brevan Howard Asset Management**, **Merrill Lynch** and **Goldman Sachs**.

Dcunha was a senior analyst at Paradigm during the second of two stints at the firm, having worked there for two years before exiting in 2017 for **Temasek** and then rejoining Paradigm in 2021. ■