

Erste Asset Management launches first private equity fund of funds

- **“Erste Diversified Private Equity I”, a long-term investment product was launched**
- **Investment focus on Central and Eastern Europe (CEE)**
- **Fund is open to institutional and qualified retail investors**

Innovative new product: Erste Asset Management, a subsidiary of Erste Group Bank AG, initiated the start of a CEE focused private equity fund of funds with the first closing of its Luxembourg domiciled “Erste Diversified Private Equity I”. In the first closing the fund reached commitments of 80 Mio. Euro and has a capacity of up to 150 Mio. Euro. Erste Asset Management GmbH, the delegated portfolio manager, will offer this fund of funds to institutional investors as well as to qualified retail investors (starting from Q4 2022).

Heinz Bednar, CEO of Erste Asset Management explains: “Our clients’ interest in private equity investments has increased significantly in recent years, supported by a low interest rate environment and the demand for investment alternatives to traditional equity or bond funds. With the private equity fund of funds, we provide companies with more capital and our clients with a newly established asset class in the CEE growth market.”

Investment focus: high-growth small- and medium-sized enterprises in CEE

The fund of funds targets CEE focused venture capital and private equity funds that invest in high-growth small- and medium-sized enterprises. The target funds strategies include venture capital, growth equity as well as buyout. While there is no sector focus, such funds tend to invest in scalable business models with little (or at least, less) dependence on the short-term economic cycle. The fund of funds will have a well-diversified portfolio of companies in different stages of their lifecycle.

Thomas Bobek, Director of Erste Private Capital GmbH (a subsidiary of Erste Asset Management) and Head of Private Equity Management of Erste Asset Management, has been instrumental to the creation of the fund. He adds: “Private equity has become an established asset class. It is now a significant element of the strategic asset allocation of long-term investors. We noticed that and have created in cooperation with our partners in Luxembourg an attractive product which we will gradually expand with the help of a strong, experienced team.”

Pension funds and insurance companies as initial investors

Initial investors include pension funds and insurance companies from Austria and abroad. Erste Group, who has been investing in private equity for many years, is acting as anchor investor for the fund of funds

Initial investments have already been made

Among the first funds in the portfolio are the two Austrian venture capital funds Speedinvest and 3TS Capital Partners.

Oliver Holle, CEO Speedinvest, states: “It is time to establish private equity as a sustainably successful asset class on a broad scale in Austria and nobody is better suited for this than Erste Bank. Thanks to the great work of our founding teams, we at Speedinvest have been able to prove for more than 10 years that it is also possible to generate excellent returns with investments in technology start-ups in and from Austria and we are grateful to be able to continue on this path with the team of Erste Asset Management.”

Pekka Mäki, CEO 3TS, says: “Private equity and venture capital typically outperform other asset classes, especially in today's volatile and uncertain market conditions. For this reason savvy institutional investors like Erste Asset Management are allocating more capital to private equity funds like our pan-regional Fund IV. We congratulate Erste Asset Management on the first closing and look forward to working with them for many years to come. We hope that Erste Asset Management's expertise will motivate more institutional investors, family offices and high net-worth individuals to invest in private equity and venture capital.”

About 3TS Capital Partners:

3TS Capital Partners is a leading private equity and venture capital companies with focus on technology. 3TS provides expansion capital and buyout finance to small and medium-sized enterprises in growth sectors such as technology & internet, media & communication, and technology-supported services. Among the investors of the current and previous 3TS funds with a total volume of more than EUR 400mn are EIF, Erste Group, Tesi, Cisco, OTP, EBRD, AWS, Sitra, KfW, and 3i. Our team consisting of highly qualified experts becomes an active business partner of the portfolio companies and provides significant value added beyond just finance. When analysing new investment opportunities or as part of our support of portfolio companies, we often complement our core team with sector partners, co-investors, and other sector experts. 3TS is also an active member of several international industrial associations and other organisations such as Invest Europe. www.3tscapital.com

About Speedinvest:

Speedinvest is a leading early-stage venture capital firm with more than EUR 600 mn AuM and 40 investors based in Berlin, London, Munich, Paris, and Vienna. Our dedicated sector-focused teams are the first to fund Europe's most innovative technology startups and our in-house operational experts are on hand to offer founders ongoing support with growth, HR, US market expansion, and more. Wefox, Bitpanda, TIER Mobility, GoStudent, Wayflyer, Open, CoachHub, Schüttflix, TourRadar, Adverity, and Twice are among our portfolio of 250+ companies.

www.speedinvest.com

About Erste Asset Management:

Erste AM coordinates, and is responsible for, the asset management activities (investment funds and portfolio solutions) within [Erste Group Bank AG](http://www.erste-group.com). With offices in Austria, Germany, Croatia, Romania, Slovakia, the Czech Republic, and Hungary, it manages assets of EUR 73.5bn (as of March 2022). Managing sustainably invested assets of EUR 13bn in more than 50 sustainable mutual funds and several special funds, Erste AM is market leader in sustainability in Austria.

www.erste-am.com

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