

# Media Release

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## Investec launches emerging companies fund

Specialist global investment bank Investec today launched the Investec Emerging Companies Australia Fund 1 (IEC Fund) to give investors dedicated access to the burgeoning emerging companies sector.

The fund aims to raise \$50 - 70 million to invest in emerging and high growth companies - valued between \$10 million and \$200 million.

Continuing with Investec's existing strategy, the fund will typically provide between \$1 and \$5m of growth capital to individual high growth companies in exchange for a material minority interest, partnering with entrepreneurs across a range of sectors.

The fund will be managed by David Phillips and Hein Vogel and will also benefit from investment committee members Cliff Rosenberg (previously Managing Director of LinkedIn SE Asia, Australia & NZ), Garry Hounsell (currently on the board of Myer, Helloworld and Treasury Wine Estate) and Ben Sebel (previously Managing Director at Champ Private Equity) who brings many years of experience and connectivity to the fund.

Investec Emerging Companies (IEC) see this underserved sector as a major opportunity to offer funding, advice, and connectivity – both domestically and globally.

Investec will be the largest investor in the fund, with the balance to come from high net worth individuals (HNWIs), family offices, and other like-minded investors.

Head of IEC, David Phillips, said the division was established about three years ago to meet the needs of the growing emerging companies' sector.

"The IEC Fund will be an extension of the existing IEC business and be managed by myself and Hein Vogel, and supported by the entire IEC team," Mr Phillips said.

"It will also benefit from three independent Investment Committee members, each of whom bring enormous experience, skills, and connectivity to the early stage investment space.

"We already have great traction in the market as a team and have seen a lot of support and encouragement from Investec's clients. We expect to be in a position to complete first close of the fund within weeks."

### International reach

Investec's IEC division was piloted in the Australian market in late 2015 and is part of a global franchise of Emerging Company teams within the group who are based in other regions including Hong Kong, India, UK, and South Africa.

"As a group, Investec has recognised that emerging companies are a growth sector globally and we are covering this space on a coordinated basis with our peers in each of our key geographies," Mr Phillips said.



“There are many passionate and innovative entrepreneurs in Australia. Many founder-led companies are looking for financial partners who can help them grow both locally and globally, with some now into their second or third venture. For some of those we believe Investec is the ideal business partner.

“IEC was established to offer a single point of contact for founders and their early stage companies looking to access capital, advisory services, or general corporate connectivity. Investec’s experience and broader connectivity, as well as our international reach, can make all the difference to a company at that stage of its lifecycle, and often this can be just as important as the capital we provide.

“Investec’s global footprint also positions us well to identify companies with global expansion prospects and then help to facilitate this through our international experience and networks,” he added.

The IEC model is unique to other offerings that only provide capital and occasionally limited guidance from the share register.

Hein Vogel, co-manager of the IEC fund, said it was important to connect capital with the right opportunities and servicing the emerging companies’ sector wasn’t a one size fits all approach.

“Investec was founded by a group of entrepreneurs and this entrepreneurial spirit remains engrained globally in Investec’s culture. It is this heritage that gives us a unique understanding of the needs of emerging companies and their entrepreneurial founders,” he said.

“We don’t just talk about being a partner, we bring this to life through investing our own capital in our clients’ businesses and offering support throughout the business growth journey. This commitment has seen both our clients’ businesses and IEC thrive.

“We are selective about who we partner with and offer bespoke solutions to each of our clients, spanning across capital, advice, and connectivity. We grow our business in response to the diverse and changing needs of our clients. We think Investec is truly an entrepreneur in service of entrepreneurs,” Mr Vogel concluded.

Since its inception, IEC has experienced strong demand from founders, with 13 companies in its current portfolio including ICM Airport Technics, Dresden Optics, MadeComfy, Splend, PulseID and PropelAir. IEC has also partnered with the Fintech accelerator business H2 Ventures and provided both equity and debt capital to the business.

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**About Investec Emerging Companies:**

Investec Emerging Companies (IEC) is a division of Investec Australia. IEC partners with emerging companies valued between A\$10m and A\$200m to provide them with an integrated capital and advisory offering. The team partners with companies led by strong founders, with high growth potential and a demonstrated track record.



**About Investec Australia:**

Investec Australia provides advice, capital and hedging products to High Net Worth, Corporate and Institutional clients; and invests in and manages real assets on behalf of third parties.

In Australia, we focus on our core areas of Aviation, Corporate & Acquisition Finance, Financial Markets, Infrastructure Finance & Investment, Resources, Corporate Advisory, Emerging Companies, Property and Asset Management. As a specialist provider, we deliver local knowledge and expertise, backed by the strength of the global brand.

Investec Australia provides a gateway to the Investec Group, delivering clients global capability, products and solutions supported by a local team of experts, who understand your business and are empowered to make decisions quickly.

We believe in long term, mutually beneficial relationships where we, as a trusted adviser, grow as our clients grow. We live our brand — Out of the Ordinary — in all we do.

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