



## PRESS RELEASE

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### **Elevate NZ invests \$20m into \$50m Pacific Channel VC fund**

New Zealand Growth Capital Partners' Elevate NZ Venture Fund has today announced a conditional \$20m investment into a \$50m fund managed by leading New Zealand deep-tech venture capital firm Pacific Channel.

Pacific Channel's Managing Partner, Brent Ogilvie said Elevate's \$20m commitment into Pacific Channel Fund II will enable Pacific Channel to make substantial investments into around 25 kiwi deep-tech companies which are focused on commercialising ground-breaking science or advanced engineering innovation.

"We're excited that we're now in a position to provide a significant capital pathway and specialist expertise to deep-tech companies aiming to turn their innovative technology into a commercial success. These are New Zealand companies that have the potential to make an impact in New Zealand and globally and improve our daily lives.

"Early-stage investment in deep technology is critical for driving productivity and economic growth. This fund, which is the largest dedicated deep-tech fund ever formed in New Zealand, will create high value jobs, and help to keep these companies in New Zealand, with local ownership, at a much-needed time for our country.

"Our capital, hands-on approach and ability to leverage a proven eco-system of support gives deep-tech companies the resources, expertise, and networks necessary to accelerate growth and navigate the complex commercialisation pathway required to achieve success in global markets," said Mr Ogilvie.

James Pinner, NZGCP Investment Director in charge of Elevate, said it was pleasing to complement the over \$25m of private capital that has already been raised for Pacific Channel Fund II, which is a significant show of confidence from the private sector in Pacific Channel's investment capability.

"Pacific Channel has an impressive track record as an early stage investor through investing their own funds via Pacific Channel Fund I. They have a particular focus on investment into Life Sciences. However, through Fund II they will also be looking to invest in cleantech, agritech, future foods and advanced engineering and manufacturing innovation in New Zealand.

"When the investor-based fundraising reaches its final \$50m close target, this will become Elevate's first allocation to a first-time New Zealand venture capital fund manager. A key goal for us is to deepen the pool of venture capital fund managers in New Zealand. We see this investment as an important milestone in achieving this goal and broadening the support for high growth Kiwi companies.

“It is very pleasing to see the level of activity that is underway in early stage investment in New Zealand. Elevate has been operating for six months since its launch. To have three funds underway in such a short time – and through the impact of Covid-19 – shows there is considerable investor interest in early stage New Zealand technology companies” said Mr Pinner.

Brent Ogilvie said with Elevate’s investment in Fund II this now brings total commitments to the fund from investors to \$45m. Pacific Channel aims to close the fund with the full \$50m in the coming weeks, which (together with the completion of a small number of operational updates) will trigger the completion of Elevate’s investment.

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## **BACKGROUND**

### NZGCP

- Was established by the Government to build a vibrant early-stage investment market in New Zealand. It currently has two investment vehicles - the Aspire NZ Seed Fund (focusing on seed and angel investment) and Elevate.
- Elevate is a \$300m fund of funds program which looks to fill the capital gap for high growth New Zealand businesses at the Series A and B fund raising stage. Elevate’s objectives are to stimulate a functioning venture capital industry and make sure that high-growth New Zealand businesses have access to the capital and connections that they need in order to be successful. It is managed by NZGCP with oversight from the Guardians of New Zealand Superannuation.
- Elevate’s initial commitment to Blackbird Venture NZ Fund was \$21 million. That has now risen to \$22.75 million as they have raised more private capital ahead of their final close. Elevate’s \$10 million commitment to Movac Fund 5 could rise to \$30 million depending on the level of additional private capital it raises.

### Pacific Channel

- Pacific Channel is an early-stage investment firm focused on building successful deep-tech ventures from New Zealand, creating meaningful impact and value
- It has previously partnered with NZGCP’s Aspire NZ Seed Fund to co-invest into a number of companies with Pacific Channel Fund I
- Existing portfolio companies include Somnaceutics (sold to New Image Group), Engender Technologies (sold to CRV), Orbis Diagnostics, Vortex Power Systems and InsituGen.

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