



United Bankers Plc

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United Bankers announces the launch of UB Forest Industry Green Growth Fund I LP having secured commitments of EUR 100 million

United Bankers' UB Forest Industry Green Growth Fund I LP ("UB FIGG" or "the Fund") investing in sustainable and resource efficient forest and bio-based industries has raised EUR 100 million in investment commitments.

Finnish Industry Investment Ltd (Tesi), a state-owned investment company, leading Finnish pension insurance companies, Veritas and Elo, as well as Pension Fund of the Finnish Broadcasting Company and Sandvik Pension Fund are anchor investors in the new Fund.

UB FIGG is a private equity fund investing in companies focused on plastic and other fossil fuel based material replacements, higher value and more efficient use of wood and agricultural raw material side streams and greater use of these raw materials across a wide range of intermediate and end uses. Through its investments, the Fund will help the forest and bio-based industries to create solutions to mitigate climate change. UB FIGG is a signatory of Operating Principles for Impact Management and reports on the environmental and climate impact of its investments.

The Fund has already developed a solid pipeline of potential initial investments, with the first investments expected to be made in early 2023.

The forest industry is experiencing one of the biggest breakthroughs in its history with the development of new products based upon raw material side streams complementing the more traditional pulp, paper and wood based products. The Fund's geographic focus is Europe, in particular the Nordic region, where the greatest level of innovation is taking place. Finland is the world's leading country in the technological development of the forest industry, which makes it natural that a fund with this strategy is being launched here.

The Fund's investments will target forest and bio-product industrial companies in the growth phase, but also consider selected opportunities in industrial project co-investments and buyouts.

UB FIGG is a closed-end private equity fund for professional investors, with 10-year term and a target size of EUR 300 million. The fund's target net return (IRR) is over 15 per cent. The Fund's alternative investment fund manager is UB Fund Management Company Ltd, which is a part of the United Bankers Plc group.

Over the past eight years, United Bankers has created deep expertise in forestry, becoming one of the largest managers of forest resources in Finland. This expertise is now being further expanded into the forest industry, with investments by UB FIGG.

"We are very proud of being able to build a unique private equity fund and hire a world class team to execute a strategy we strongly believe in. We would like to thank all our investors for the interest in our

Fund's strategy and are excited to help develop the forest and bio-based business opportunities in our region", comments Matti Lehtipuu, Managing Partner of UB FIGG.

Matti Lehtipuu, Sakari Saarela, David Walker and Rainer Häggblom are responsible for the portfolio management and investment operations of UB FIGG. A dedicated Advisory Board with extensive knowledge and expertise in the forest and bio-chemical industries will support the portfolio management.

Introductions of the investment team and the Advisory Board are attached to this release.

"We are very pleased to have raised United Bankers' first industrial private equity fund. The Fund will complement United Bankers' strong competence in forestry investing and aims to extend our product and service offerings in alternative investments. This Fund is our first spearhead product in private equity, and it has already achieved a great deal of interest among international investors", says Timo Ronkainen, Head of Institutional Asset Management of United Bankers.

UB FIGG complements United Bankers' fund selection focusing on real asset investments, which comprise real estate and forest funds as well as funds investing in shares of real estate and infrastructure companies. The Group's assets under management amounted to approximately EUR 4.6 billion at the end of June 2022, 40 per cent of which was invested in real asset investments.

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United Bankers in brief:

United Bankers Plc is a Finnish expert on wealth management and investment markets, established in 1986. United Bankers Group's business segments include wealth management and capital markets services. In asset management, the Group specializes in real asset investments. United Bankers Plc is majority-owned by its key personnel and the Group employs 149 employees (FTE) and 31 agents (30 June 2022). In 2021, the United Bankers Group's revenue totalled EUR 43.8 million and its adjusted operating profit amounted to EUR 14.4 million. The Group's assets under management amount to approximately EUR 4.6 billion (30 June 2022). United Bankers Plc's shares are listed on Nasdaq Helsinki Ltd. The Group companies are subject to the Finnish Financial Supervisory Authority's supervision. For further information on United Bankers Group, please visit www.unitedbankers.com.

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