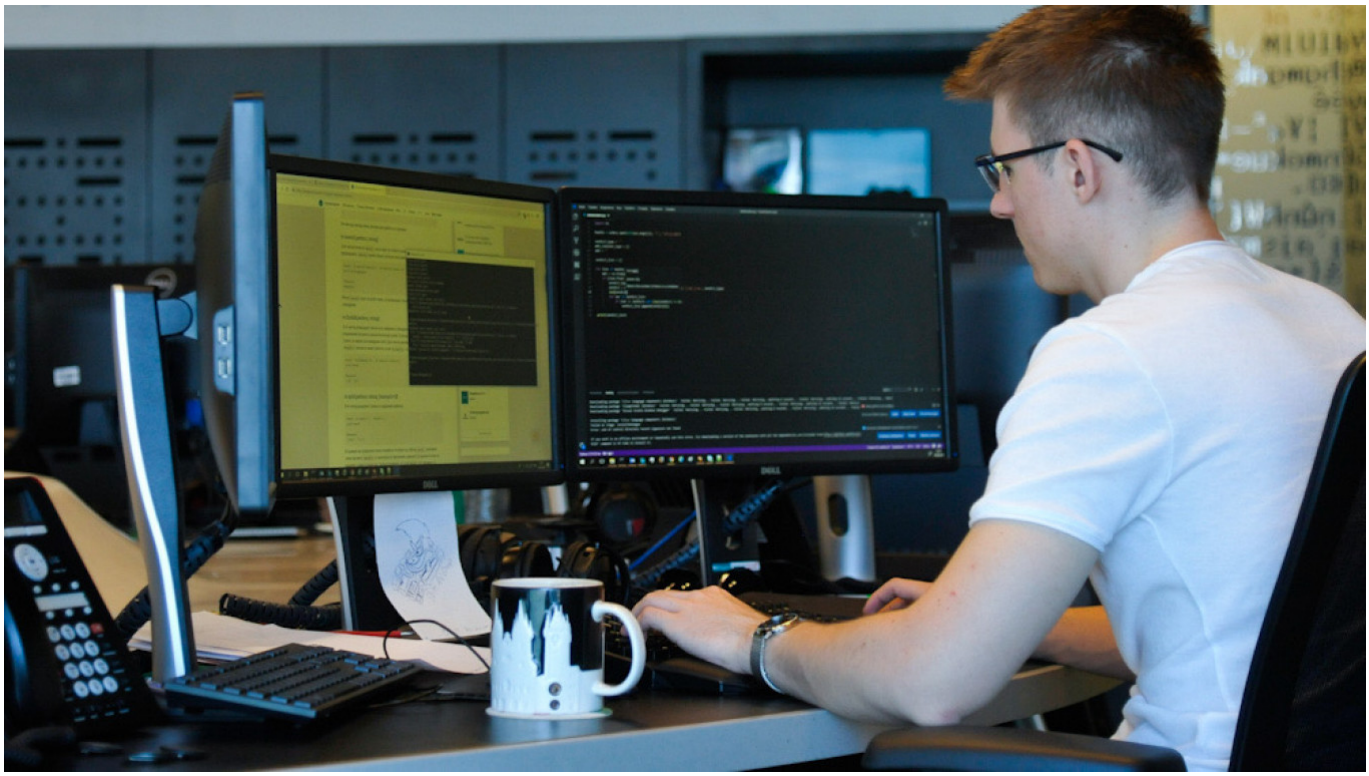
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INDEPENDENT NEWS FROM RUSSIA

Investment House Targets $600M Fund for Russian Tech

Following success with unicorn startup HeadHunter, Elbrus Capital is stepping up its investments in the Russian digital space.

By Adrien Henni

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Investment into Russia has slowed since the imposition of sanctions. But Russia's technology sector is booming. **Alexander Avilov / Moskva News Agency**

Leading private equity firm Elbrus Capital has attracted $260 million to launch a new investment fund focusing on Russian digital companies, business daily Kommersant reported.

It will be the third fund launched by Elbrus — an investment house specializing in tech firms from Russia and other ex-Soviet countries. The company is aiming to raise a total of $600 million by the end of 2022 to pump into technology firms.

Some of Elbrus' most successful investments include job search portal HeadHunter, which launched on the U.S. Nasdaq exchange in 2019, Cian Group, a leading real estate online

database which is eyeing an initial public offering (IPO) next year, and PickPoint, Russia's leading network of collection points for e-commerce orders.

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Deals are expected to start in the first quarter of this year, and will typically range from $30-$100 million a piece, though the outfit said it does not rule out "experiments" with smaller players.

The fund is also backed by international finance institutions from the United Arab Emirates — including those linked to Abu Dhabi's sovereign wealth fund — and the EU, as well as private investors, Elbrus told Kommersant.

Senior partner Dmitri Kryukov said that while Russia's geopolitical situation is complicated and this has affected international investments, tech investors are putting their attention on potential returns in Russia's fast-growing digital space, rather than politics.

He hailed the case of HeadHunter as an example of the ability to generate significant returns in the sector. When Elrbus invested, it was worth $130 million, and it now trades publicly with a valuation exceeding $1.5 billion.

In total, Elbrus has committed more than $1 billion across its investments, the firm says, and made 90 acquisitions since it launched its first fund in 2007.

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