

When I was asked by our marketing department to prepare the usual editorial for the upcoming newsletter, one of my colleagues suggested that I could prepare it using ChatGPT. I was interested, so I agreed. Literally, within moments, he sent me the prepared editorial in four alternatives, generated completely without human intervention. The English was well refined, with poetic phrases full of obligatory PE jargon, and the flow of the message was quite logical and natural. [See for yourself HERE](#). It wasn't my style but it was still quite usable, at least as a primer. Saving considerable time and energy, the tool was obviously powerful. I felt a bit like a farmer who had a combine harvester for the first time to harvest, or a machinist who tried cutting with a laser instead of a saw.

However, after a slight initial shock and a closer examination of the texts, my initial feeling that this was a powerful tool rather than intelligence in the human sense, was reinforced. The outputs were de facto a sophisticated aggregation and refinement of existing texts and previously published ideas. In terms of the genre specified and subsequently used by the robot, "newsletter editorial for a PE firm", the outputs presented an unparalleled challenge to the currently popular style of expression, emphasizing achievement and excellence, and has become so prevalent in various annual reports, information memoranda, speeches, and presentations. However, like them, they seemed empty and inhuman, creating a uniform world alienated from the world of the real person, his emotions, relationships, experiences and individuality. Artificial intelligence in this particular stylistic discipline set a mirror to similar human endeavour and, by its absolute performance, relativised it on the spot, effectively underlining not only its emptiness but also its futility.

This new experience also led me to think that if we adopt the attitude that AI, often presented as a threat, is "just" an effective tool, we can see it as any other fundamental moment of human progress. Like fire, which we all know is a powerful servant but an evil master. That we need to let it work where performance, efficiency and excellence are needed, and concentrate our will and our spare actions on the areas where man is irreplaceably strong and unique at the core of his being - i.e. on emotions, motives, relationships, decision-making, intuition and creativity.

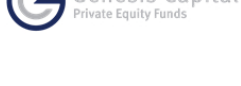
It's a shame that I've only had the opportunity to use the robot for the genre editorial writing, where shallowness has been its prominent fodder. It will probably be much more interesting to see how, properly saturated with quality ingredients, an AI would rewrite major literary works, or remix and fix the sonic or performance imperfections of groundbreaking records. That is, how would one read Hemingway or listen to, say, Doors enhanced by AI. I'm sure we will see similar experiments soon.

What's new in Genesis I won't summarize here in the introduction this time and leave it to you whether you prefer to read it in the flowery texts generated by AI or in the below passages of our new newsletter. I wish you pleasant reading and a nice summer!



Ondřej Vičar

Ondřej Vičar
Managing Partner



Acquisition of TES Vsetín

Genesis Private Equity Fund IV (GPEF IV) and Avallon MBO Fund III, together with the existing managers, acquired 100% of TES Vsetín, a Czech producer of electric machines and components used in the energy, construction, railway and science industries. The new owners intend to continue on the company's commenced growth path and build a leading European player in the area of electric machine production.

[Read more](#)



Acquisition of XBS Group

GPEF IV and Value4Capital funds have teamed up with the existing management team to acquire a 100% stake in XBS Group, a Polish provider of supply chain management solutions, to accelerate the company's growth and strengthen its market position.

[Read more](#)



CVCA/SLOVCA awards 2023

Genesis Capital Equity was recognised with two prizes at this year's CVCA/SLOVCA Awards, in the categories: "PE Fund Manager of the Year" and "PE Deal of the Year in the Czech Republic" for its investment in Stangl Technik Holding, a leading provider of comprehensive engineering and technical building services in the Czech Republic and Poland.



Strengthening compliance in Luxembourg

As of June 2023, Genesis Capital is strengthening its compliance team at its Luxembourg fund headquarters with an experienced compliance professional. Julien Lamotte, with many years of previous experience in financial markets regulation and compliance, will cover the areas of compliance with respect to the Luxembourg laws and regulations issued by the Luxembourg Financial Regulator (Commission de Surveillance du Secteur Financier, CSSF).

Introducing our new colleague

Team of Genesis Capital Equity was strengthened by:



Josef Weigl
FINANCIAL CONTROLLER

In January 2023, Josef Weigl joined our team as a Financial Controller. Josef previously worked as a senior auditor at a consulting company KPMG, focusing on audit of commercial and manufacturing businesses. He also has experience from the banking sector, specifically from Equa Bank, where he worked as an SME Underwriter in the Risk Management department. He also worked as a financial controller at Penta Hospitals. Josef graduated in Taxation and Tax Policy from the University of Economics in Prague.

Promotion of our colleagues



Our three colleagues have been promoted as of April 2023: **Tomáš Sýkora (right) was promoted to Investment Director, Jiří Kolísko (left) and Adam Ruta (centre) were promoted to Senior Investment Managers**. All three of them are actively involved in Genesis Capital Equity's many investment activities and are great contributors to various aspects of the firm's life.