

IMPACT Fund by Middle East Venture Partners (MEVP)

The signing ceremony of the IMPACT Fund occurred on October 24, 2014, representing a major milestone for Lebanon's Venture Capital scene. With investor commitments in excess of \$50 million, the IMPACT Fund is by far the largest Venture Capital fund in Lebanon, and notably the first fund to comply with Banque du Liban's (BDL) Intermediate Circular 331. The Circular was created by BDL specifically to support the growth of Lebanon's Knowledge Economy, a sector that is expected to materially improve High Tech employment in Lebanon.

New Investments in 2014

Year to date, MEVP has made 5 investments in 5 new companies, increasing MEVP's portfolio companies to 20:

- Mobinets (\$3M, Series B)
- Fuel Powered (\$2M, Series A)
- FADEL Partners (Undisclosed, Series A)
- Klangoo (\$1.5M, Series A)
- Bookwitty (\$4M, Series B) closing soon

The investment subsidy program outlined in the Intermediate Circular 331 is available only to Lebanese Banks; the program encourages Lebanese Banks to invest early stage equity capital in Lebanon's Knowledge Economy by providing the Banks with an upfront 75% equity capital subsidy over an investment horizon of 7 years.

The IMPACT Fund was launched by Middle East Venture Partners (MEVP), one of the leading MENA focused Venture Capital firms and currently the largest non-government sponsored VC firm in the Region.

The IMPACT Fund is co-sponsored by BLOM Invest Bank and MedSecurities Investment, and has already received, for its first closing, investment commitments from most of Lebanon's leading Banks including BLOM Invest Bank, BankMed, Bank Audi, Fransabank, Credit Libanais Investment Bank and Al-Mawarid Bank. The signing ceremony took place at the Four Seasons Hotel, Beirut, and was attended by representatives of BDL, senior representatives from every major Bank in Lebanon, and both the Chairman and CEO of MEVP. MEVP expects 6 other Banks to join the second closing of the IMPACT Fund, including Banque Libano-Francaise, Bank of Beirut, BBAC, LGB Bank, First National Bank, BML and others for a total fund size of \$55M.

MEVP launched the IMPACT Fund on December 19, 2013 and the Fund received on July 11, 2014 BDL's approval as compliant with Intermediate Circular 331. The Fund will invest \$500 thousands to \$5 million in next-generation knowledge-based Lebanese companies that focus on the ICT sector (Information Communication Technology sector) and other creative intellectual property driven sectors. The IMPACT Fund is designed to fund knowledge-based Lebanese companies that are expected to grow into regional and even global success stories. Therefore, the Fund's potential investments should have target markets covering at least the MENA Region if not the global markets. MEVP expects the investment incentives from Intermediate Circular 331 to encourage Lebanese expat entrepreneurs as well as foreign entrepreneurs to establish ICT ventures using Lebanon as their launching pad. The ultimate goal is to create sustainable, highly paid High Tech jobs that will energize Lebanon's future economic development.

MOBINETS - Telecom's Operational Support Systems (OSS)



A \$3M investment in "Mobinets", a Telecom software provider launched in 2011

and specialized in next generation smart Operation Support Systems (OSS) solutions. Mobinets' key product "NEP" (Network Enterprise Product) allows telecom operators to control and manage their network infrastructure in real time at lower costs than existing solutions. Mobinets is managed by a world class C-level and Board of Advisors team that combine a unique experience of Telecom & IT know-how. Mobinets has built a very strong portfolio of Telcos that include A1 Touch, Vodafone Group, Orange, Zain, MTN, Ooredoo, Meditel, etc.

Visit www.mobinets.com

FADEL - IP Management Software Solution



An investment in FADEL Partners (for an undisclosed

amount), a software company (local office in USA) that developed and commercialized "IPM Suite" an Intellectual Property, Rights & Royalties management product for a variety of global industries (media, publishing, pharmaceuticals, etc.). IPM Suite was developed by a world class team with relevant experience in ERP integration and development of similar solutions (Oracle, IBM etc.). IPM Suite is targeted towards Fortune 500 companies looking to better manage their IP rights distributed across platforms, geographies, franchising rights and royalties. It has a strong client base that includes Marvel Studios, O'reilly and F5 Networks.

Visit www.fadelpartners.com

BOOKWITTY - Online Book Reseller



A \$4M investment in Bookwitty, an international online book distribution company.

The company started as an online seller for books sourced in Lebanon then extended its catalogue to suppliers based in France, the UK, Germany, and the USA. It relies on highly optimized supply chain processes as well as smart algorithms and services for online sales. Empowering bookstores and publishers to be competitive on local markets, it gives them access to a global catalogue with more than 25 million references. The company is now launching Bookwitty.com, an online platform for book enthusiasts. Bookwitty is a fast growing company with a 2012-2014 Revenue CAGR of 81.8% and expected 2014 revenues of \$36M.

The transaction is expected to close by year end 2014.

Visit www.bookwitty.com

FUEL POWERED - Social Network for Mobile Gaming



A \$2M investment in Fuel Powered (previously Grantoo) as part of a \$3.5M financing round alongside

the Rising Tide Fund. Fuel Powered's platform helps mobile games add multiplayer functionalities instantaneously enabling gamers to compete with each other. Fuel Powered's implementation with its latest clients proved itself by a 135% increase in sessions/user and a 2.26x increase in the 7 days retention ratio. The company has 30 million online accounts created and signed prominent clients such as Miniclip.

Visit www.fuelpowered.com

KLANGO - Semantic Text Analysis Engine Technology



A \$1.5M investment in Klangoo, owner of the text analysis technology "Magnet". Klangoo is the result of 50+ years of high

profile research and development in areas of Natural Language Processing and Understanding. Magnet technology can be applied to several verticals ranging from content publishers, advertising platforms and customer support. Klangoo's advanced technology has witnessed a strong interest from leading content publishers and IT companies in US, Europe, South America, and the Middle-East and will be announcing major client deals before the end of the year.

Visit www.klangoo.com

Key Portfolio Companies Updates during 2014

ANGHAMI - 6M registered users and library content of 10M songs



Anghami user base has reached 6M registered users across the MENA region. Most recent

deals include exclusivity for "The Voice" content and Bundle deals across the region (Oman, Bahrain, Morocco, Egypt) with different telecom operators. Anghami plans on beginning fund raising in August 2014.

FALAFEL GAMES - Closed a new funding round with twofour54 and MBC



Falafel games successfully closed a new round of funding with twofour54 and MBC. Falafel Games has more than 1.2 million players.

GATE2PLAY - New deals and increased processing volume



Gate2Play has signed 14 new merchants in Q2 2014 which raises their number of clients to c. 150 including: MBC, Television Dubai and Star Academy.

Gate2Play also grew total its processing volume in travel sector by 296% compared to Q1 2014.

THE LUXURY CLOSET - New \$2M investment round



The Luxury Closet is closing a \$2M investment round before year end 2014

SHAHIYA - 5 million unique visitors peak during Ramadan



Shahiya, the MENA number 1 food portal for recipes, recorded a new high of 5 million unique visitors during the month of Ramadan and

accumulated a total of 400k mobile app downloads

B.A.S - New SaaS product launched



BAS launched its SaaS product "C2Box" and has acquired key major clients including Simpson Group and Intcomex USA.

BAS aims to expand its sales into USA and plans on going into a new fund raising soon. BAS expects its 2014 revenues to grow 22% compared to the 2013 figures.

MEVP NEWS

MEVP welcomes Alex Hawat, Mohamad Sabounh and Hala Roupael to the team!

ASSOCIATE DIRECTOR:



Alex Hawat joined the MEVP team as Associate Director. Alex's experience spans from technology and software development to investment banking and equity investments. Alex will be based in Beirut's office.

SENIOR ANALYST



Mohamad Sabounh joined the MEVP team as Senior Analyst. Mohamad has experience in oil and gas project management and construction and is holder of a dual Master's degree in mechanical engineering and business administration. Mohamad will be based in Beirut's office.

LEGAL COUNSEL:

Hala Roupael

MEVP PARTICIPATED IN ARABNET DIGITAL SUMMIT 2014, DUBAI!



MEVP represented by Walid Hanna, Walid Mansour and Alex Hawat had the opportunity to participate in Arabnet's Digital Summit 2014 in Dubai where it held its own stand and had the chance to meet other entrepreneurs and scan for investments opportunities

MEVP POCOS DAY ON AUGUST 10, 2014



As it has been the custom every year, MEVP held its annual gathering for its portfolio companies on August 10 in Beirut. It was an opportunity for all the entrepreneurs to get to know each other and to network with all the attendees while spending a relaxing Sunday.

MEVP PARTICIPATED IN TECHCRUNCH DISRUPT SAN FRANCISCO 2014



MEVP represented by Walid Mansour attended the TechCrunch Disrupt in San Francisco where it had the chance to listen and interact with the most influential

people in the technology arena and get introduced to the latest technological and web startups and innovations. This year TechCrunch also had a dedicated pavilion that gathered all the startups from the Arabian region sponsored by MEVP and that included a number of MEVP's portfolio companies

In parallel to the TechCrunch event, a number of MEVP portfolio companies were invited to mix and meet potential



mentors at an event organized jointly by MEVP and LebNet. More than 70 attendees were present. Seasoned CEOs, VCs and executives from the Silicon Valley were invited to share their experience with 9 selected Mena start up companies from MEVP portfolio.

SUPERRETURN MIDDLE EAST



Walid Hanna was invited as a speaker to SuperReturn Middle East in Dubai

ABU DHABI MEDIA SUMMIT



Join us in Abu Dhabi Media Summit on November 18-20, 2014 where our Managing Partner Walid Hanna will be talking about the future of tech investments