BSD

12A Venture Capital

Fund One

Q3 2024 Investor Report

Dear Friends and Partners, Our Esteemed Investors,

We are pleased to present the quarterly report for 12A VC, a venture capital fund uniquely dedicated to investing in startups led by Haredi entrepreneurs. Our mission is twofold: to deliver outstanding returns for our investors and to create meaningful social impact by fostering the success of Haredi-founded startups. By showcasing real-world examples of impactful and scalable businesses, we aim to inspire the Haredi community and unlock its vast entrepreneurial potential.

While social impact is central to our vision, our foremost priority is delivering exceptional financial results. We deeply believe in the untapped talent within the Haredi community and the immense business opportunities it offers. By identifying top entrepreneurial talent and supporting them in building world-class companies, we are confident in achieving both economic and social success.

Our portfolio valuation methodology relies on the most recent funding rounds, ensuring transparency and market alignment. We are proud that most portfolio companies have achieved significant revenue milestones, with several generating millions—and even tens of millions—of dollars annually.

We extend our deepest gratitude to our esteemed Investment Committee—Yossi Sela, Raoul Stein, and Arik Kleinstein—for their invaluable guidance and expertise, which have been instrumental to the success of our portfolio. We also wish to express our heartfelt thanks to you, our investors, for your unwavering trust and support. Your partnership empowers 12A VC and enables our portfolio companies to thrive and grow. Thank you for being an integral part of this meaningful mission. Together, we are not only building world-class companies but also shaping a more inclusive and innovative startup ecosystem.

Please note that this report is an unaudited narrative update. Annual reports, including K-1 statements, are available to investors through the iAngels platform.

In these challenging times, our mission takes on even greater significance, fostering unity within the state of Israel and broadening participation in Israel's startup ecosystem. We continue to pray for brighter days for Am Israel, for the safe return of all hostages, for the well-being and safe return of all our soldiers, and for good news for AM Israel B"H.

Moshe Friedman
Managing Partner

Avreimi Wingut
Managing Partner

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12A in numbers

Fund size: 3.3M$ | Vintage 2017

Investments to date: **13**
Total amount invested to date: **$2,745,011.00**
Up rounds: **6**
DPI: **27%**
Gross IRR: **30.3%**
Moic: **3.70X**
Companies Closed: **6**
Average Holdings: **1.5%-7%.**

Our Portfolio

Reflectiz

Innovative Vulnerability Detection Tool for Third-Party Applications.

Reflectize specializes in providing cutting-edge solutions for vulnerability detection in third-party applications. The company has successfully raised $10M in funding from Capri VC and other investors, fueling its rapid growth.

In 2023, Reflectize achieved an impressive 100% growth, reaching an Annual Recurring Revenue (ARR) of $2M and securing 30 major U.S. customers. Building on this momentum, the company's ARR increased to $2.7M in Q1 2024, and by Q3 2024, it reached $3.5M. Reflectize is on track to close 2024 with an ARR of $4M, marking another year of 100% growth.

Reflectize's success is largely attributed to its effective "land and expand" strategy, which has driven significant increases in customer commitments. For example, eBay's annual contract grew from $100K to $250K, while Ticketmaster's expanded from $250K annually to a total contract size of $750K.

Notable new customers acquired in 2024 include Mango, Emblem Health, Commerzbank, Cava, and A&F, further solidifying Reflectize's position as a leader in the vulnerability detection space.

Elementor

Elementor, an open-source platform for building websites and one of our investments, is a proud graduate of the KamaTech accelerator. The company previously received funding from Lightspeed VC Fund and OG Ventures. Today, Elementor boasts an impressive annual recurring revenue (ARR) of $80M. Remarkably, 11.6% of all websites worldwide are built using the platform. The company employs 320 people, with both the founders and the initial group of employees coming from the Haredi community. Recently, the team expanded to include Haredi graduates from the KamaTech computer science program. With a 33.2% Rule of 40 performance, Elementor continues to demonstrate exceptional growth and operational efficiency

LIST

The company enables their partners to assess the risk of longevity-linked assets at scale using AI They have raised so far 5.6M$ from Barclays, Cresson Management, and others.

Strategic Shift for List. List has undertaken a significant strategic shift, repurposing its data and AI technology to serve the nursing home industry in the United States. The company has adapted its capabilities to meet the specific needs of nursing homes, including calculations related to longevity, risk assessment, pricing, and more.

We are pleased to report that a strategic partnership has been secured, with 21 nursing homes in the U.S. already fully utilizing their product. Additionally, the company is in advanced discussions with two other nursing home networks, which could expand its reach to 150 facilities using its SaaS platform. Full integration is expected within the next three months, positioning the company to achieve cash flow stability B"H.

Furthermore, the team has leveraged its AI technology to launch a new SaaS product targeting the U.S. market of 16,000 nursing homes. This product offers a robust solution for managing incoming referrals of potential residents. While still in the early stages of adoption, the company is confident it has reached product-market fit with this innovative offering.

RavTech

Software development house, based on Haredi men students, developing software for dozens of international high-tech companies. lead investor and chairman Benny Levin, founder and former CEO at NICE.

The company has raised 2.8M$ all together so far. 300K from us and 2.5M$ from other investors. Their revenue in 2023 was 4M$ and they are profitable.

MADA Analytics

MADA Analytics has pivoted to designing a hybrid carbon capture and energy storage system for gas-fired power plants, using proprietary AI software for

optimizing renewable and dispatchable power integration. Recently awarded a US patent and a successful POC.
MADA received its first grant project in January 2024 from the Ministry of Energy to optimize CO2 capture and energy storage at Hadassah Ein Kerem hospital.

DriveU

A tool for stable and smooth network traffic for autonomous companies. Leading investor Zohar Zisapel. DriveU now has commercial contracts in place with Kodiak and Gatik (autonomous trucks), Cocco, Segway Robotics and Goggo Network (delivery robots), Denso (Tier 1 automotive supplier), EasyMile (maker of autonomous shuttles), with hundreds of units deployed and active. Serve Robotics (Nasdaq:SERV) recently announced the deployment of DriveU.auto's connectivity platform on its robotic fleet to enhance remote monitoring. This integration supports Serve's goal to deploy up to 2,000 robots on the Uber Eats platform.

Triple Whale

Triple Whale is an operating system for Shopify brands.
The company has raised $50 million from NFX, Elephant, and Shopify.
Currently, it supports over 25,000 Shopify brands.
The company's current ARR is $37M.
Profitable with lots of cash in the bank.

Winding Down of Portfolio Company

PhoneDo developed a platform connecting freelance call center professionals worldwide, but the rapid rise of generative AI and large language models (LLMs) significantly disrupted their business model, presenting challenges that proved insurmountable.

Together with their investors, Glilot VC and Mangrove VC, we made extensive efforts to help the company navigate these obstacles. However, due to limited runway and substantial shifts in the market, further investment was not a viable option.

While this outcome is disappointing, it highlights the dynamic and ever-changing nature of our industry.

We remain optimistic and committed to creating value, with strong performance from our other portfolio companies, such as Elementor, Triple Whale, and Reflectiz, driving growth and success, B"H.

Our Holdings

Company	Amount invested	Value today	Value increased	% increase
Reflectiz	$ 322,869	$ 790,146	$ 467,277	145%
Elementor	$200,000	$1,073,285	$873,285	437%
List	$ 250,000	$ 560,000	$ 310,000	124%
Ravtech	$ 300,000	$ 300,000	$ 0	0%
Mada Analytics	$ 150,000	$ 250,000	$ 100,000	67%
DrivU	$ 300,000	$ 406,435	$ 106,435	35%
TripleWahle	$ 165,000	$6,770,968	$6,605,968	4004%*
L7	$ 300,000	$ 0	-$ 300,000	-100%
Milkstrip	$ 200,000	$ 0	-$ 200,000	-100%
Doorbill	$ 150,000	$ 0	-$ 150,000	-100%
Phone.do	$ 257,142	$0	-$257,142	-100%
Emerj	$ 100,000	$0	-$100,000	-100%
Winfluencers	$ 50,000	$0	-$50,000	-100%
TOTAL	**$ 2,745,011**	**$10,150,835**	**$7,405,824**	**270%**

*Including $899,525 received in Secondary deal

Thank you

CONTACT US

moshe@kamatech.org.il
awingut@gmail.com

Tel: +972 (52) 656-2021
Tel: +972 (53) 316-9969

7 Metzada st. B.S.R.4 Tower, 27 floor
Bnei Brak, Israel