BSD

12A Venture Capital

Fund Two

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 II in numbers

Fund size: $9.75M | Vintage 2022

Investments To Date: **7**

Total amount invested to date: $2,572,857.00

Up rounds: **2**

MOIC: **2.04X**

Companies Closed: **1**

Our Portfolio

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.

Next Dim

Next Dim provides Anti-Financial Crime AML and KYC solutions. The company was founded by Netta Marom, a Unit 81 officer with a banking background. We participated in a $3M seed round led by David Assia from the iAngels VC fund. The company's current ARR is $2M.

Cherry

Cherry is a fintech startup. The company processes multi-million-dollar payments monthly. We participated in a $6 million seed round led by James Currier from NFX.
The current ARR is $2.5M.

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.

Conext

Conext is redefining efficiency in the concrete industry by using unique real-time monitoring and analytics. Agreements with Cemex and Heidelberg Cement. Current round by Angel investors Eyal Gura, Moshe Lichtman, and others.
Current ARR nearly $100K. Recently Conext signed a new client that, if everything goes well, will generate an ARR of $1 million, God willing. There is also progress with one of the largest cement companies in the world. They have already sent a delegation for a live demo and are moving towards finalizing a deal.

Bring

White label crypto cashback for web3 wallets & exchanges.
770+ retailers include Expedia, Hertz, LG, Dell, Lenovo, Blue Nile, Gap, Banana Republic, Forever 21, StockX, Fender, Staples, Decathlon, and Samsonite.
Founder: Iri Zohar, Serial entrepreneur in Retailer/Ad Tech
Founded Oridian, eXelate, and Freshub; led to exits totaling hundreds of millions of dollars.

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 Triplel Whale, and Reflectiz, driving growth and success, B"H.

Our Holdings

Company	Amount invested	Value today	Value increased	% increase
Triple Whale	$ 180,000	$ 3,306,141	$ 3,126,141	1737%
Next Dim	$ 300,000	$ 300,000	$ 0	0%
Cherry	$ 500,000	$ 700,000	$ 200,000	40%
Reflectiz	$ 250,000	$ 250,000	$ 0	0%
Conext	$ 300,000	$ 300,000	$ 0	0%
Bring	$ 400,000	$ 400,000	$ 0	0%
Phone.Do	$ 642,857	$ 0	-$ 642,857	-100%
TOTAL	**$ 2,572,857**	**$ 5,256,141**	**$ 2,683,284**	**104%**

Thank you

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