



**MFG INVEST**

**Q4 2023**



# Portfolio





In 2023, the venture capital market experienced a significant decline, with the volume and number of transactions approaching 2019 levels. Increased interest rates, banking troubles at the beginning of the year, unmet expectations from the Chinese economy, uncertain global economic performance, and ongoing military conflicts were some of the factors keeping the market down. Nevertheless, for companies in the early stages of development, the change in valuations was minimal. Of course, there were also sectors where investment interest did not decrease and valuations increased. One such sector is artificial intelligence, we anticipate sustained interest in it throughout the year.

Thanks to the new shareholders in MFG Invest AD, who acquired shares traded on the BEAM segment of the Bulgarian Stock Exchange, we managed to realize six new investments and two follow-on investments in Tiger Technology and Eleven Fund III. During the year, three of our companies managed to achieve increased valuation - eBag, Tiger Technology, and Ondo Solutions. On the other hand, we decided to write off three other companies from our balance sheet - Settle Group, POP Market Greece, and Log Sentinel.

We actively participated in the startup ecosystem, which had a positive effect on the number of deals we consider, including internationally. We are determined to strengthen this activity so that we have an increasingly rich selection of potential investments. We continue to prioritise the team as a criterion for investment, believing that it is the leading factor for early-stage companies, which is where our focus lies.

In 2024, we expect some of the companies in our portfolio to organize new financing rounds, starting with Boleron, which on February 15, 2024, successfully completed an offering on the BEAM segment of the Bulgarian Stock Exchange, placing 955,051 new shares and raising additional capital of 3,170,769 leva.

# Resume

# Board of Directors



Stanimir Vassilev



Nedelcho Spassov



Petar Damyanov



THE ROAD  
**SO FAR**



# Balance Sheet

	MFG Invest Balance as of 31/12/2023	MFG Invest Balance as of 30/09/2023	MFG Invest Balance as of 31/12/2022
Assets	"000 EUR	"000 EUR	"000 EUR
Property, Plant and Equipment	4	5	6
Investments in Subsidiaries	-	-	-
Portfolio Investments	24 017	23 786	21 398
Convertible Loans and Interest	-	-	-
Trade Receivables	-	-	75
Cash and cash equivalents	21	257	1 731
<b>Total Assets</b>	<b>24 042</b>	<b>24 048</b>	<b>23 210</b>
Liabilities			
Borrowings	103	-	-
Trade obligations	2	1	-
Accounts payable to employees	8	-	-
Tax Obligations	1	-	-
Deferred Tax	1 760	1 606	1 606
<b>Total Liabilities</b>	<b>1 873</b>	<b>1 606</b>	<b>1 606</b>
Shareholders Equity	5 519	5 519	5 519
Premium Reserves	1 454	1 454	1 454
Financial Result	15 196	15 468	14 630
<b>Total Equity</b>	<b>22 169</b>	<b>22 442</b>	<b>21 604</b>
<b>Total Liabilities and Equity</b>	<b>24 042</b>	<b>24 048</b>	<b>23 210</b>



# Income Statement

	MFG Invest Income Statement as 31/12/2023	MFG Invest Income Statement as 30/09/2023	MFG Invest Income Statement as 31/12/2022
	"000 EUR	"000 EUR	"000 EUR
Change in Fair Value	821	910	6 379
Income from Sale	-	-	-
Net Sale	821	910	6 379
Interest and Similar Income	10	10	9
Interest and Similar Expense	(1)	-	(188)
Net Interest Income	10	10	(178)
Other Financial Income/Expense (net)	(1)	(1)	(3)
Book Value of Sold Investments	-	-	-
Personnel Expenses	(18)	-	(111)
Administrative Expenses	(95)	(82)	(56)
Profit before Tax	717	836	6 030
Corporate Tax	(153)	-	(603)
Net Profit for the Period	564	836	5 427



# Portfolio

Company	Date of first investment	Ownership	MFGI Commitment EUR	MFGI Invested EUR	MFGI Fair Value EUR, discounted	Company Fair Value EUR	ROI	Valuation Method
e-Bag	2019	11,945%	606 630	606 630	4 593 356*	42 726 903	7,57	Last Round Valuation
LogSentinel	2019	1,66%	84 772	84 772	-	-	-	-
Payhawk	2019	1,84%	330 446	330 446	14 904 000*	900 000 000	45,10	Last Round Valuation
Tiger Tehnology	2019	8,32%	1 380 124	1 380 124	1 248 000	15 000 000	0,90	Last Round Valuation
Eleven Capital	2020	0,62%	51 129	51 129	138 621	22 358 299	2,71	Stock Exchange 31-09-2023
Auka Norway (Settle Group)	2020	1,34%	500 246	500 246	-	-	-	-
Settle Bulgaria	2020	60,00%	901 919	901 919	-	-	-	-
Boleron	2020	17,610%	550 000	550 000	1 061 883*	6 700 000	1,93	Last Round Valuation
Eleven FUND III	2021	1,66%	1 000 000	570 000	509 301	30 680 799	0,89	Net Asset Value
Koa Tehnology	2022	1,83%	197 485	197 485	197 485	12 074 000	1,00	Last Round Valuation
POP Greece ***	2022	1,19%	250 000	250 000	-	-	-	-
Vedamo	2022	3,46%	201 004	201 004	201 004	5 809 360	1,00	Last Round Valuation
Ondo	2022	3,26%	150 400	150 400	204 154	6 379 800	1,36	Last Round Valuation
Hydrogenera	2022	0,90%	109 895	109 895	109 895	12 210 560	1,00	Last Round Valuation
Findmecure	2023	2,09%	249 997	250 000	225 720	10 800 000	0,90	Last Round Valuation
NativeSpaces	2023	3,76%	250 000	250 200	225 600	6 000 000	0,90	Last Round Valuation
StarForge	2023	8,33%	100 000	100 000	99 960	1 200 000	1,00	Last Round Valuation
Canopy**	2023	0,25%	47 601	47 601	47 775	19 110 000	1,00	Last Round Valuation
Tapline	2023	1,590%	149 938	149 938	149 937	9 430 000	1,00	Last Round Valuation
Icanpreneur	2023	1,988%	200 000	100 000	99 996	5 030 000	1,00	Last Round Valuation
<b>Total</b>	-	-	<b>7 311 569</b>	<b>6 781 789</b>	<b>24 016 687</b>	<b>1 105 509 721</b>	<b>3,46</b>	-

\* The fair value of the assets includes a 10% discount on some of the assets, related to business risk, as presented in MFGI's financial statements.

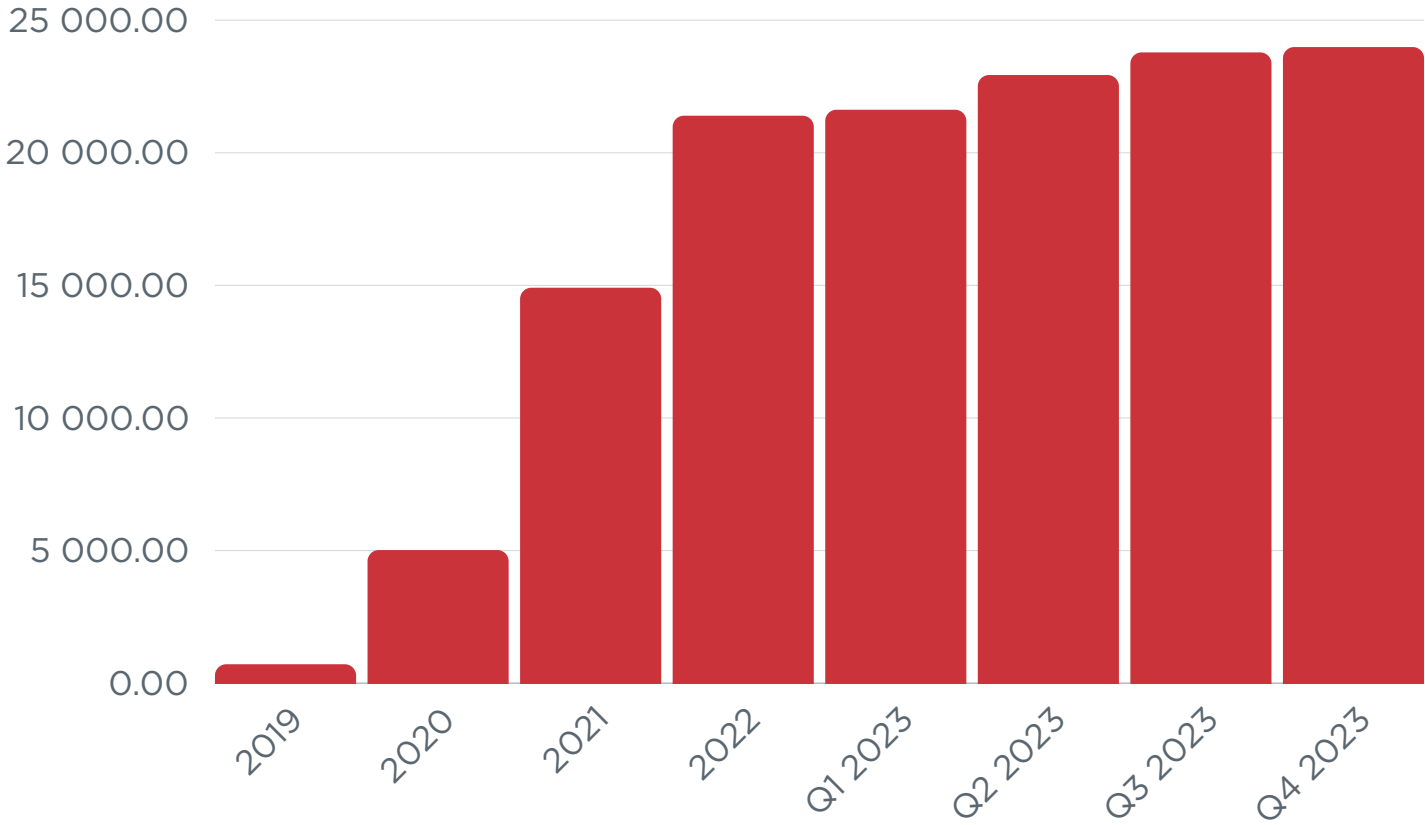
\*\* The percentage of participation in the noted investments is approximate as the capital increase procedure has not concluded yet.

\*\*\* A company restructuring is forthcoming, including a reallocation of the participation percentage, in line with the plans for developing a new business. We anticipate the stated percentage to change.



# Portfolio

	2019	2020	2021	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Fair Value "000 EUR	712,74	5 018,84	14 911,32	21 398,08	21 623,27	22 932,05	23 785,44	23 986,73
Growth vs. 2019	1	7,04	20,92	30,02	30,02	32,17	33,37	33,65



# Tiger Technology

Tiger Technology designs and implements software products and solutions for processing big data that need to be accessed from multiple machines. Tiger Technology successfully implements its solutions in the field of video surveillance, where it has ongoing projects in large facilities worldwide (airports, pharmaceutical factories, public sector, etc.), as well as in the field of digital pathology in partnership with Philips and Microsoft.

The company has already gained the trust of giants such as AWS, Microsoft, IBM, Wasabi, Seagate, Philips, and is currently working intensively to deepen these strategically important partnerships. The markets where the company has very good development are the USA, Western Europe, and the Middle East.

In 2023, Tiger managed to achieve over 2 million euros in revenue, with deals in the pipeline worth around 8 million euros. Clients that the company can boast of include BorgWarner, Monaco Telecom, Gulf Bank of Kuwait, LGT Bank Liechtenstein, and The Trump Organization. Tiger won the "Milestone Technology Partner of the Year 2023 for the Middle East" award.





eBag is an online supermarket that is a leader in the Bulgarian market, holding 70% of the market share.

In 2020, the company attracted a strategic investor – the Czech company Rohlik Group, which in 2021 achieved a valuation of over 1 billion euro.

In 2021, eBag had a turnover of 44 million Bulgarian leva, and in 2022, the turnover reached 60 million Bulgarian leva, representing a growth of 40%.

In 2023, the company managed to achieve significant optimization of internal processes, including the construction of a new, cutting-edge warehouse, thereby increasing its capacity. eBag attracted partners, and its website now includes a pharmacy, various specialized and organic foods, farm products, ready-made meals, desserts, and more.

eBag ended 2023 with a profit for the first time since its establishment, achieving a growth of 34% in its turnover, reaching a total annual sales volume of over 80 million leva and a profit of 2 million leva. The company completed a new financing round with a valuation of 42 million euro.

In 2024, the company will invest 5 million euro in a new assembly line and robotic picking system, as well as upgrading part of the fleet with electric vehicles and installing a charging station at the warehouse.





# Payhawk

Payhawk is developing a software product for expense management, providing companies with the ability to improve their processes and gain greater control and transparency over their expenses. The company is global and has offices in New York, London, Amsterdam, Barcelona, Paris, Berlin, and Sofia.

In early 2022, Payhawk achieved a valuation of 1 billion dollars and became the first Bulgarian unicorn.

In 2023, Payhawk became an official partner of Microsoft. In July, it obtained an electronic money institution license from the Bank of Lithuania and opened its office in Vilnius. In the fourth quarter, Payhawk also obtained an electronic money institution license in the United Kingdom. Payhawk integrated its product with NetSuite by Oracle, one of the most widely used business management platforms, used by over 37,000 companies. Payhawk achieved the "Built for NetSuite" status.

The company launched a new product on the market, Payhawk Green - an innovative method for tracking and reporting carbon footprint through expenses. The team developed this functionality in response to increasing demands from global companies.

Simultaneously, Payhawk won numerous awards from G2, Capterra, and Fintech Future Paytech Awards, and made many product improvements.



**payhawk**

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# Eleven

Eleven Capital is a venture capital investor with a focus on entrepreneurs from Bulgaria and the region.

The company's team is one of the pioneers in early-stage investing in Eastern Europe and consists of successful entrepreneurs and professionals with extensive experience in equity investments.

The portfolio consists of 34 core companies, including 11 key investments with high potential, many of which are profitable and/or growing rapidly.

Some of the companies that Eleven has invested in so far include Dronamics, Businessmap, Coursedot, A4E, and others.



eleven

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# Eleven Fund III

Eleven Fund III is the third fund of the venture capital company Eleven Ventures.

The fund has a capital of 60 million euro and is registered in the Netherlands. The fund provides pre-seed and seed investments in companies from Southeastern Europe.

In 2022, the fund invested a total of 15.7 million euro in 17 companies, including Almacena, BeMe AI, Bibe Coffee, Biopix, CoLumbo, Flow, Frisbo, Pop, and others.

During the third quarter, we invested 100 000 euro in Eleven Fund III as part of our commitment to the fund.

During the fourth quarter, we invested 70 000 euro more.



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# Boleron

Boleron is a software platform for purchasing and managing insurance products via mobile phone.

The company's platform is based on new technologies utilising big data, artificial intelligence, and machine vision, allowing customers to purchase and manage their insurance policies via mobile phone 24/7.

For 2023, the company managed to achieve a 113% annual growth in premium revenue. Since its inception, the company has generated sales of over 6.5 million Bulgarian leva, with more than half of them occurring in 2023.

In 2023, the intensified teamwork led to a remarkable improvement in the product line. Boleron digitised and launched the first online life insurance in Bulgaria, thereby entering a new business vertical. Additionally, it introduced an online health insurance for the treatment of severe illnesses abroad, offering one of the best health insurance plans in Bulgaria. The company also entered a niche market with an annual turnover of over 1 billion Bulgarian leva by introducing an online corporate insurance.

In November, the company started selling online insurance policies in partnership with Vivacom.

On February 15, 2024, Boleron successfully conducted an issuance on the BEAM market of the Bulgarian Stock Exchange, raising funds amounting to 3,170,769 leva, with a company valuation of 16 million leva. The proceeds will be used to expand operations in Romania and Greece.





# Koa (Lotus)

KOA is a company registered in the USA, which operates through its subsidiary in Kenya.

In early 2023, the company introduced its first financial products targeting business clients, with small businesses as the target segment. The new product is branded under the name Lotus.

In the second quarter of 2023, KOA managed to onboard 74 companies, with payments through them totaling 3.1 million dollars. The company successfully launched a forex service, which is expected to be one of the main sources of revenue.

In the third quarter, the number of business clients reached 136, with two of them being industry leaders in their respective sectors. Lotus now offers integration with Quickbooks. The company's data indicates growth not only in the number of clients but also in the number of transactions they conduct.

By the end of 2023, the number of business clients reached 202, with transactions through the platform for December alone totaling 27 million dollars.





# Vedamo

Vedamo is an interactive learning platform equipped with various features that enhance the efficiency of online education. The platform includes a content management module, significantly beneficial for educators in preparing educational materials.

The company relies on essential partnerships in the United States, Mexico, and Latin America, as well as several East African nations and countries in the Middle East. In 2022, Vedamo secured a funding round of 1,1M euro.

During the first quarter of 2023, the platform reported 180760 unique student users engaged in sessions, along with 5 690 educators, and a total of 84 068 conducted sessions.

During the second quarter of 2023, the company launched the tutor.one marketplace, developed in close collaboration with the Faculty of Pedagogy at Sofia University "St. Kliment Ohridski". Tutor.one already counted over 200 teachers.

Simultaneously, the primary product of Vedamo conducted 73 223 live sessions with 3 510 unique instructors and 126 161 unique learners in the same period.

By September, the number of teachers on tutor.one reached 300, with 600 more in the queue. The team accomplished significant technological enhancements to the product. The company plans to focus on marketing campaigns targeted at learners and is preparing for several new partnerships.



**VEDAMO**

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# ONDO Solutions

ONDO is a next-generation solution that automates irrigation, precise fertilisation, and climate control for open fields and greenhouses. The system includes hardware equipment and a specialised software platform for managing, controlling, and monitoring agricultural processes 24/7. The technology is web-based, allowing the controller to be managed from any device at any time and anywhere.

According to ONDO's customers, as of the end of 2022, integrating ONDO technology has resulted in a 20% higher yield and a 30% lower irrigation cost, with a reduction in the use of fertilisers and human errors and an increase in profit.

During the summer, as one of the winners of the AgriTech startup competition EBRD AgVenture, ONDO Solutions was invited to showcase its precision irrigation, fertilisation, control, and monitoring solution at the Taiwan Smart AgriWeek Exhibition in Taipei, Taiwan.

At the same time, the company's representative for Greece, Thomas Moschos, won the "Best Organic Farmer" award at the EU Organic Awards 2023. Moschos Farm, a family-owned farm, is the first to implement the ONDO system in Greece, and his award is evidence of the benefits ONDO provides to modern farmers.

In October, ONDO participated as an exhibitor at the Fruit Attraction event in Madrid, Spain. At the end of December, ONDO offered investment opportunities in the company through the Seedblink platform.



# Hydrogenera

Green Innovation AD (Hydrogenera) is a company specialised in developing and implementing innovative technologies for hydrogen production and finding various applications for it in the energy system. The company began its operations in 2016, and in the last two years, it has successfully completed 82 projects in three different countries, achieving an average annual revenue growth of 71%. Currently, the company is present in the markets of Bulgaria, Poland, and Turkey.

The fourth quarter of 2023 was exceptionally successful for the company, with total revenue for the year increasing by 4.9 times compared to 2022.

The company attributes the difference in revenue mainly to:

- Implementation of 7 AEM electrolyzers with a capacity of 20 kW each.
- Implementation of 2 AEM electrolyzers with a capacity of 250 kW each.
- Contract signing for 1 AEM Z electrolyser with a capacity of 1 MW.

A key achievement was the successful completion of a project with EBRD, in collaboration with Dronamics. The project's goal was achieved by delivering a fully functional internal combustion engine operating on 100% hydrogen with zero CO<sub>2</sub> and NO<sub>x</sub> emissions throughout the entire load curve. EBRD has expressed interest in further developing the project and preparing the engine for implementation and potential production.





# FindMeCure

FindMeCure is a platform that assists patients in their search for innovative treatments and medications that are not widely available. The platform is entirely free for patients. To date, the company has supported over 2 million patients.

The company's other software, TrialHub, supports organisations involved in clinical research by providing structured and comprehensive information for trial planning. Nearly 6 000 studies have been planned through the platform. TrialHub is utilised by medium to large companies, including ICON, Medpace, Novartis, and Premier Research. It is available in 70 countries, with 50% of businesses based in the United States and the remainder primarily in Western Europe.

In June, the company launched TrialHub IQ - a cutting-edge AI technology designed to accelerate progress in clinical trial design by leveraging industry knowledge. Clinical investigators can pose questions to the module and receive answers based on verified sources or the company's proprietary research databases.

In the third quarter of 2023, the company achieved a record annual recurring revenue with a 24% growth compared to the previous quarter. The company attributes this success to product enhancements, including TrialHub IQ, along with an improved strategy in marketing and sales.

In 2023, FindMeCure managed to achieve more than a double increase in revenue and the number of clients. The monthly visitors to TrialHub tripled.



FindMeCure

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# Native Spaces

Native Spaces was founded in Nice, France by Bulgarian entrepreneur Tanya Bencheva. It is a platform that completely transforms the way we preserve and organise events. The current focus is on corporate events, with the first market being the French Riviera - a preferred destination for high-class gatherings. The team boasts clients such as YouTube, Adidas, Twitch, Amazon, and LinkedIn.

Native Spaces offers unique venues that are curated by the team to ensure their quality. They discover new spaces such as galleries, museums, boats, private homes, which are either empty for part of the year or have not been used for such purposes before. This allows hosts to earn additional income while providing clients with a remarkable experience.

In 2023, Native Spaces secured a round of equity financing of 1 million euro and an additional amount of bank financing, mainly from the French Development Bank. Our investment in the company amounts to 250,000 euro.

For 2023, the platform managed to increase its spaces fourfold, double its sales, and attract clients such as Dior, Forbes, BBC, Wall Street Journal, Banijay (the company behind MasterChef, Survivor, Big Brother), and others. Additionally, it opened an office in Bulgaria, expanded its team, and advanced with the second version of the platform, as well as the web application.

For 2024, the company aims to complete V2 along with the application, optimise marketing expenses, and accelerate expansion into Paris.



# StarForge

One of the new investments we started the year with is StarForge, a new interactive reality format that tracks the development of League of Legends players, one of the most popular computer games in the world. Through live broadcasts on Twitch, players develop their skills and compete for the grand prize. At the beginning of 2023 the company already has one pilot (zero) season behind it, broadcasted in Bulgaria.

During the period of March to May 2023, the first season was conducted and broadcast internationally, including countries from Central and Eastern Europe. The first season garnered exceptional interest, as just one of the days reached viewership that exceeded the entire pilot season. The company has officially partnered with Coca-Cola, Twitch, and League of Legends. The size of our investment is 100 000 euro.



StarForge introduced a global innovation in the interactivity of live broadcasts through the so-called bounty system. Through this system, viewers can assign missions to participants in real-time, which reward them. Besides increasing the emotional engagement of viewers, the system represents a pilot method for direct monetisation in an industry that traditionally relies almost entirely on sponsorships as the main source of revenue. The season was watched by 75,000 unique viewers.

In the second half of the year, the team focused on shaping the concept for the next season based on lessons learned from the previous one. The goal is to cover a larger region and improve the content. The founders managed to attract more professionals who have worked on major productions to help offer an even better experience to viewers.





# Canopy

Canopy is a platform for managing processes of investment funds and for carrying out investments. The company behind the platform is registered in Delaware as Canopy Investment Funds II SPV LLC. Our investment in the company is \$50,000.

The team behind Canopy began work in 2021, aiming to facilitate the investment process in startup companies. Through the Canopy platform, the company managed to build a centralised system and achieve automation of the processes accompanying investments in startup companies.

At present, Canopy is gaining popularity and is primarily used by private investment funds in organising funding rounds and managing subsequent investments.

The company aims to develop a modern version of SS&C (NASDAQ: SSNC, market capitalization of \$14 billion), which will enable the funds to manage all their private investments.

Private capital investments represent a \$10 trillion industry. Private investment capital is expected to grow by at least 50% to over \$15 trillion in the next 5 years. Automation of work processes and reporting, which are the focus of Canopy, will be of significant importance for the industry.





# Tapline

Tapline UG, based in Germany, is a platform for finding debt financing for SaaS companies.

Its clients are companies with proven online sales revenue seeking funds for accelerated growth. Debt financing through the platform often serves as a substitute or complement to equity investment.

The company operates primarily in Germany, Austria, and Switzerland, with recent expansions into the Czech Republic, Poland, and Estonia. To date, Tapline has received inquiries for €100 million in debt, demonstrating significant demand for its services.

In October, we made an investment in the company amounting to 150,000 euros.

In December 2023, Fintech News Switzerland identified Tapline as one of the seven young fintech companies with the greatest growth potential for 2024.





# Icanpreneur

Icanpreneur is the first Accelerator-as-a-Software platform. The platform guides early-stage technology companies, as well as product managers, along their entrepreneurial journey through proven practices. It helps them go from idea to market-successful product, time and time again.

With the help of this software, efficient market validation of initial ideas is conducted, and they are developed into solutions that meet specific market needs.

In November, the company secured funding of €830,000 in a pre-seed round, in which we participated with €200,000, half of which was disbursed in 2023, and the other half in January 2024. This funding will help the company expand its team, improve its product, and increase its market presence.



# MFG INVEST

MFG Invest stock is traded on the beam market of Bulgarian Stock Exchange under ticker MFG.

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