

MENA PE Deal space – October 2014

The MENA region witnessed robust PE activity in October. Six deals, worth US\$29 million (based on disclosed deal values), were recorded during the month. The deal count remained unchanged from September, the highest tally so far this year. With an unexpected increase in the number of deals in September and October, H2 2014 is turning out to be a stronger period for overall PE activity in the MENA region. Sixteen deals are already recorded so far in H2 2014 compared with eight in H1 2014.

The UAE witnessed a surge in PE activity in October, with three deals, while Egypt, Lebanon and Saudi Arabia recorded one deal each. The transactions covered a wide range of sectors, including education, healthcare, retail, e-retail, oil & gas, and information technology.

Exhibit 1: PE Deal Value (US\$ M) & Volume—2013

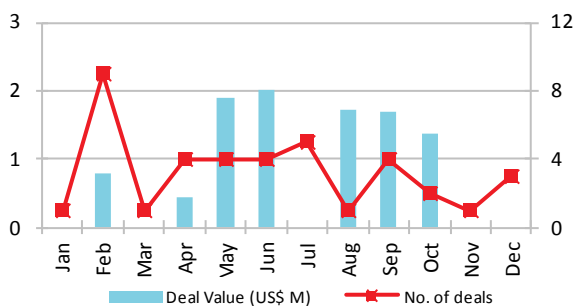
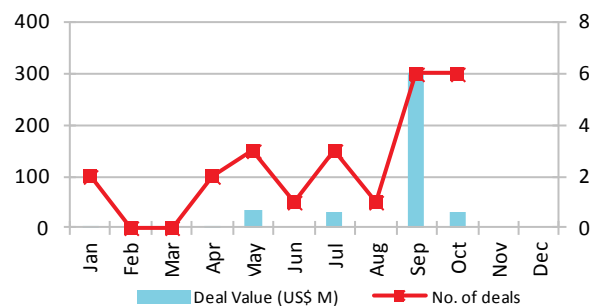


Exhibit 2: PE Deal Value (US\$ M) & Volume—2014



Source: Zawya, Thomson ONE Banker, Al Masah Capital Research

MENA PE Deal space – October 2014

On October 26, Middle East Ventures Partners (MEVP) announced an investment of US\$4 million in Bookwitty, a Lebanon-based international online book distribution company. Founded by Cyril Hadji-Thomas and Sany Naufal, Bookwitty initially operated as an online seller for books sourced in Lebanon. The company later extended its catalogue to suppliers based in France, the UK, Germany, and the US. Bookwitty relies on highly optimized supply chain processes as well as smart algorithms and services for online sales, providing bookstores and publishers with access to more than 25 million references. MEVP completed the acquisition through its IMPACT fund. MEVP has around US\$75 million of assets under management.

On October 25, Mobily Ventures announced an undisclosed investment in Hellofood Middle East, an online marketplace for restaurants that allows customers to select from local restaurants and place orders via mobile applications or the web. Mobily Ventures is the venture capital arm of Riyadh-based telecom operator Mobily.

On October 15, UAE-based Fajr Capital, along with Blackstone and Bahrain's sovereign wealth fund Mumtalakat, announced the acquisition of a minority stake in the Middle East, North Africa and Asia business of GEMS Education for an undisclosed sum. UAE-based GEMS Education provides K-12 private education, with operatorship of more than 50 schools, enrolling over 140,000 students across the Middle East, North America, Europe, Asia, and Africa. Fajr Capital is a Dubai-based sovereign-backed investment firm that focuses on strategic high-growth sectors, including financial services, infrastructure, education, healthcare, and energy.

On October 11, Al Masah Capital announced the acquisition of a majority stake in Dubai-based German Medical Center (GMC). Al Masah completed the deal through its subsidiary Alchemist Healthcare. With this acquisition, Alchemist's network increases to 21 facilities in four major GCC cities. Established in 2004 by Dr. Ashraf Kamel, GMC is a multi-specialty medical center based in Dubai Healthcare City, offering the highest level of medical care by qualified doctors and visiting German consultants. GMC offers urology, gynecology, general surgery, and orthopedic services in addition to eight other specialties, including laboratory services.

On October 8, Gulf Capital announced a US\$25 million investment in Egypt-based Amak Group through its Gulf Credit Partners Fund. Founded in 1997, Amak is a leading provider of integrated petroleum services for the onshore and offshore sectors in Egypt. The company also offers drilling

MENA PE Deal space – October 2014 (contd.)

services to national and multinational oil companies. Amak operates two rigs, and has expanded to include 10 onshore assets and four shallow-water offshore assets. Based in Abu Dhabi, Gulf Capital is an alternative asset management company, focusing on late-stage control buy-outs, growth capital, real estate development and credit business. The company has over US\$3 billion of assets under management.

On October 1, Samena Capital, announced the acquisition of a stake in UAE-based Flemingo International, a global duty-free and travel retail operator. Established in 1997, Flemingo International operates over 140 F&B outlets, coffee shops, and boutique, convenience, and travel essential stores at airports across 32 countries. Samena completed the deal through Samena Special Situation Fund. The financial terms of the deal were not disclosed. Established in 2008, Samena Capital is a Dubai-based investment group, with around US\$750 million of assets under management.

Exhibit 3: Deals in MENA PE space – October 2014

Company Name	Date	Company Nation	Deal Value (US\$ Million)	Sector	Firm/Fund
Flemingo International	October 1, 2014	UAE	-	Retail	Samena Special Situation Fund
Amak	October 8, 2014	Egypt	25.0	Oil and gas	Gulf Credit opportunities Fund
German Medical Center	October 11, 2014	UAE	-	Health Care	Al Masah Capital
Global Education Mgmt System (GEMS)	October 15, 2014	UAE	-	Education	Fajr Capital
Hellofood	October 25, 2014	Saudi Arabia	-	E-retail	Mobily Ventures VC Fund
Bookwitty	October 26, 2014	Lebanon	4.0	Information Tech.	Middle East Venture Partners Fund

Source: Zawya, Al Masah Capital Research

MENA PE exit deals – October 2014

There were no exit deals in the MENA region in October.

MENA PE News Wrap-up

UAE-based TVM Capital Healthcare Partners announced plans to invest US\$200 million over the next four years to expand the business operations of its portfolio companies across the Gulf Arab region and India. Since 2009, the private healthcare-focused firm has made four investments in the UAE through its US\$120 million fund. (October 27, 2014)

MEVP announced an investment of US\$3 million in Mobinets, a UK-based telecom software provider, established in 2011 and specializing in next-generation smart Operation Support Systems (OSS) solutions. Mobinets's key product, Network Enterprise Product (NEP), allows telecom operators to control and manage network infrastructure in real time at lower costs than existing solutions. Mobinets has built a strong portfolio of telcos, including A1 Touch, Vodafone Group, Orange, Zain, MTN, Ooredoo, and Meditel. (October 26, 2014)

MEVP announced a US\$2 million investment in Fuel Powered, a US-based gaming platform that helps mobile games add multi-player functionalities instantaneously, enabling gamers to compete with each other. The company has 30 million online accounts, with prominent clients such as Miniclip. (October 26, 2014)

MEVP announced an investment of US\$1.50 million 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. (October 26, 2014)

MEVP announced an undisclosed investment in Fadel Partners, a US-based software company that developed and commercialized IPM Suite and IP, Rights and Royalties management product for a variety of global industries (media, publishing, and pharmaceuticals). The financial terms of the deal were not disclosed. (October 26, 2014)

Source: Zawya, Others

MENA PE News Wrap-up (cont.)

Kuwait Investment Authority (KIA) decided to resume selling stakes in major local companies to the public, with plans to offer its interest in Kuwait Investment Company in the first half of 2015. KIA, one of the world's largest sovereign funds with assets under management of an estimated US\$400 billion, began offering stakes in listed Kuwaiti firms to the public in the 1990s as part of its efforts to transfer more of the country's corporate wealth into the private sector. (October 23, 2014)

Abu Dhabi-based Waha Capital expects its asset base to grow about 25% in the next two to three years, with investments of US\$500 million in the MENA region's energy, healthcare, and education sectors. Earlier this year, Waha set up an energy-focused investment unit and acquired 20% stake in Dubai-based National Petroleum Services (NPS) for US\$76 million in its first energy-related deal. The company has about US\$3 billion of assets under management. (October 22, 2014)

Wafra Investment Advisory Group and Greenstone Equity Partners formed a strategic alliance to introduce Wafra's institutional investment platform to GCC-based investors. The partnership was formalized in June. Greenstone Equity Partners, a Dubai-based fund placement firm focusing on alternative asset classes, would assist Wafra's interests in the MENA region by covering sovereign wealth funds, institutional investors, and family offices. Founded in 1985, Wafra Investment Advisory Group is an SEC-registered investment management company, offering an extensive range of investment services, including portfolio securities management, private equity, real estate, and other structured products management. (October 21, 2014)

NBK Capital announced the successful closure of its latest private equity fund, NBK Capital Equity Partners Fund II, with US\$310 million in capital commitment. The fund was oversubscribed and exceeded its US\$300 million target, driven by strong demand from institutional investors and family offices. NBK Capital Equity Partners Fund II is managed by NBK Capital Alternative Investments Group. (October 20, 2014)

Gulf Capital announced the successful closure of its third private equity fund, GC Equity Partners Fund III, with capital commitment of US\$750 million. Investors in GC Equity Partners Fund III include a significant number of regional and international limited partners, comprising sovereign wealth funds, pension funds, endowments, funds of funds, insurance companies, family offices, and other institutional clients. Gulf Capital is an alternative asset manager focused on the Gulf region, investing across several asset classes, including private equity, credit, mezzanine and real estate. The company currently manages over US\$3 billion of assets. (October 19, 2014)

Investcorp and Mumtalakat announced the acquisition of US-based PRO Unlimited for an undisclosed sum. PRO Unlimited is a leading provider of software and services that enable large enterprises to more effectively manage contingent workforce. Headquartered in Boca Raton, the company has approximately 600 employees and provides an integrated, purely vendor-neutral platform to manage the contingent workforce spending of customers. Investcorp provides and manages alternative investment products and is publicly traded on the Bahraini bourse. Investcorp has around US\$11 billion of assets under management. (October 14, 2014)

Qatar Investment Authority announced an investment of US\$616 million to acquire 20% stake in Life Style International Holding, as part of global portfolio diversification. Founded in 1985, Lifestyle International Holding is an investment holding company that operates mid- and upper-end lifestyle departmental stores in Hong Kong and China. The company owns and operates a SOGO department store in Hong Kong, four Jiuguang department stores in Shanghai, Suzhou, Dalian, and Shenyang, and a standalone Freshmart supermarket in Shanghai. Qatar Investment Authority, the sovereign wealth fund of Qatar, has around US\$170 billion of assets under management. (October 14, 2014)

PineBridge Investments Middle East, the regional arm of the leading global multi-asset class investment manager, appointed Ms. Sabah Khalil Almoayyed as Independent Chairperson of its Board of Directors and Mr. Anthony Mallis as Independent Vice Chairman. PineBridge has approximately US\$75 billion of assets under management. (October 13, 2014)

Swicorp announced the successful closure of a private placement subscription for Al-Dhawahi Real Estate Development Fund, after raising SAR78 million in equity, and structuring of a SAR68 million facility loan from a local bank. (October 12, 2014)

Abraaj Group announced the acquisition of a majority stake in Liberty Star Consumer Holdings (Libstar). Established in 2005, Libstar is one of the largest unlisted providers of food and personal care products in South Africa. The company has about 4,200 employees and operates through 23 business units. Abraaj Group, a private equity firm that invests in MENA and Latin America, has around US\$7.5 billion of AuM. (October 9, 2014)

Source: Zawya, Others

MENA PE News Wrap-up (cont.)

Oman Investment Fund (OIF) announced an investment of US\$35.4 million in Taageer Finance Company. Established in 2000, Taageer Finance Company is the youngest and one of the leading non-banking finance companies operating in Oman, providing financial services to retail and corporate customers. OIF, the sovereign wealth fund of Oman, has approximately US\$6 billion of AuM. (October 1, 2014)

Source: *Zawya, Others*

MENA IPO news

Amanat Holdings opened its (initial public offering) IPO for subscription in the UAE. The healthcare and education integrated major aims to raise US\$382 million through the sale of 1.37 billion shares (45% stake) at an issue price of AED1.02 per share. The IPO is open for subscription until November 4. Emirates Financial Services and National Bank of Abu Dhabi are the lead managers. (October 20, 2014)

National Commercial Bank opened its IPO for subscription in Saudi Arabia. The bank aims to raise US\$6.0 billion through the sale of 500 million shares (25% stake) at an issue price of SAR45 per share. The IPO is open for subscription until November 2. GIB Capital and HSBC Saudi Arabia are the lead managers. (October 19, 2014)

Delice Holding successfully listed itself on the Tunisia Stock Exchange at a premium of 4.8% to its issue price. The dairy products major raised US\$66 million through the sale of 8.2 million shares (15% stake) at an issue price of TND14.6 per share. Mac SA Incorporation was the lead manager. (October 16, 2014)

Al Maha Ceramics closed its IPO in Oman. The ceramics major raised US\$20.6 million through the sale of 20 million shares (40% stake) at an issue price of OMR0.40 per share. The IPO was oversubscribed 19.5 times. Oman Arab Bank was the lead manager. (October 15, 2014)

Arabian Food Industries announced an IPO in Egypt. The dairy major proposes to raise US\$280 million by offering around 30% stake. EFG-Hermes would be the lead manager. (October 14, 2014)

Emaar Malls successfully listed itself on the Dubai Financial Market at a premium of 12.1% to its issue price. The shopping mall developer raised US\$1.58 billion through the sale of two billion shares (15% stake) at an issue price of AED2.9 per share. The IPO was oversubscribed 25 times. EFG-Hermes, Emirates Financial Services, HSBC Bank Middle East, and National Bank of Abu Dhabi were the lead managers. (October 2, 2014)

Source: *Zawya, Others*



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