

Portfolio Company Background:

Sector	Industry	Business Portfolio
Software Service	Advanced AI base advertisement technology	SSP, DSP, Marketing automation, Big data

Deal structure:

Deal Size	\$10.7 million
BRV Lotus Fund II Commitment	\$5 million
Co-Investors	Strategic investor from Malaysia (Softbank-affiliated)
Target Equity Position	2.3%
Investment Form	Common Shares
Investment Strategy	Growth Equity
Deal Closing Date	July 2016
Sourcing Background	The founder and Chairman of Softbank seeded Geniee with 30 plus PhDs in the AI space. He invited BRV exclusively to help with global expansion pre IPO. BRV has proven track record and a number of strategic investors who can help accelerate Geniee's market penetration in China, US, Korea and Middle East
Deal Team	Jay Kim and Kwan Yoon
Board Seat	Observer Seat (Jay Kim)

Industry overview:

Key Players	Google Japan, Fluct, Adstir AdGeneration, Yield One, B-Dash, Satori, Marketo
Market Size	USD \$3.1 billion as of 2016
Growth Potential	<ul style="list-style-type: none"> - Geniee has been leading the market with its integrated and advanced artificial intelligence (AI) ad technology by serving both publishers and advertisers. - The company has created a win-win business model by maximizing its customer's revenue and profits, and also aims to change web advertisement to be more targeted, measurable, and stress free for the viewers. - With the increase in number of clients and data activity, and through alliance with third party ad-networks, revenues are growing at a rapid pace. - Due to the shift from pure advertisements to web/mobile ads, sustainable growth is expected for the foreseeable future particularly leveraging Softbank's scalable network base.

Investment Thesis:

Solid Baseline	<ul style="list-style-type: none"> - Geniee has rapidly gained recognition in the web/mobile advertisement market due to its advanced technology and has become No.1 in share since 2015. - Geniee has a large customer base of more than 9,000 publishers which generates a stable cash flow. - Its lead investor Softbank has helped the company accelerate channel acquisitions and data mining from the beginning. - Geniee is currently focusing on obtaining more advertisers and publishers in Japan and overseas to expand business and increase revenues.
Growth Initiatives	<ul style="list-style-type: none"> - BRV's analysis estimates that Geniee's CAGR will be over 70% year over year - Geniee's immediate aim is to expand into the Asian web advertisement market by localizing its technology.

	<ul style="list-style-type: none"> - It has already initiated global business in Vietnam and Indonesia, and opened an office in Singapore to spread into Thailand and Malaysia and other South East Asian countries where the use of web media is increasing. - The company is seeking help from BRV to penetrate into China, Korea and US.
Management Team	<ul style="list-style-type: none"> - CEO has strong background and deep knowledge about AI base Ad-network business for advertisements through Recruit, Inc. which became the largest Ad-network in Japan.
BRV Value-Add	<ul style="list-style-type: none"> - Supporting Geniee using BRV's regional networks to expand its overseas operations including China, US, and Korea. - BRV plans to share local market insight to identify appropriate partnership channels and ad agencies, and develop solid execution strategies to build up user traffic in the target regions.

Company Financials:

(in USD mm)	FY2015	FY2016	FY2017	FY2018
Revenue	30.1	73.7	140.6	261.6
YoY (%)	132%	145%	91%	86%
EBITDA	3.1	2.4	5.4	16.1
EBITDA Margin (%)	10.4%	3.3%	3.8%	6.2%
Net Profit	1.5	0.5	1.7	8.8
NP Margin (%)	5.1%	0.7%	1.2%	3.3%

Exit Profile

Expected Return	1.8 - 4x
Minimum IRR (worst case)	78%
Expected Exit Timing	Liquidity event confirmed by Nomura (its underwriter) for 2H2017
Exit Strategy	IPO in Japan