Quarterly Update
Q3 2021
Fortissimo IV

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November 30, 2021

Dear Fortissimo IV Investor,

Attached is our quarterly report for Q3 2021 which includes an update on the recent developments of all the portfolio companies of Fortissimo IV.

Following the recent realization of Cardo Systems and the partial realization of Incredibuild, we are happy to announce that in early August 2021 Fortissimo IV sold a 20% stake in Sugat Industries to the investment arm of Bank Hapoalim. The transaction was completed at an enterprise value of NIS 900 million (NIS 700 million equity value) and the proceeds to the fund were NIS 134 million or ($42 million). The above sale follows the recent sale-and-leaseback of the real estate on which Sugat's plant resides for net proceeds of ~$55 million. Both these realizations, along with dividends previously distributed, bring the total cash return to date from Sugat to $99 million or 2x of Fortissimo IV's total investment, while the fund still holds 80% of Sugat.

The Fund has abided by its ESG policy for the last quarter. To the best of our knowledge, there were no material ESG incidents this quarter with respect to any of our portfolio companies.

If you have any questions, please feel free to contact any member of our team at any time.

All the best!

Yuval Cohen

FORTISSIMO CAPITAL FUND IV – FUND SUMMARY (1)	
Initial Investment	October 2015
Term	10 + 1 yr
Capital Commitments	$471.8 million
Capital Called (2)	$421.8 million (90.5%)
Total Distributions (2)	$363.5 million (77.1%)
Total Invested Capital (2)(4)	$362.9 million (77.0%)
Total Realized Cash Proceeds (3)	$347.6 million (95.8%)
Current Value of Unrealized Investments (3)	$621.2 million (171.2%)
Total (Realized and Unrealized)	**$968.8 million (267.0%)**
Gross IRR	*36%*

1) *All data as of 30/9/2021*
2) *As a percentage of total capital commitments*
3) *As a percentage of invested capital*
4) *Including $4 million invested after 30/9/2021*

FORTISSIMO CAPITAL FUND IV – PORTFOLIO SUMMARY [1]

COMPANY	HOLDINGS	INVESTED CAPITAL	UNREALIZED VALUE	REALIZED CASH PROCEEDS	TOTAL	RETURN ON INVESTED CAPITAL
MotoRad [2, 3]	70.0%	$48.0	$119.0	$1.9	$120.9	2.5x
Animated Storyboards	39.3%	$9.5	$9.5	$ -	$9.5	1.0x
Cardo Systems	*sold*	$22.0	$0.7	$90.0	$90.7	4.1x
Tritone Technologies[4]	67.6%	$13.2	$13.2	$ -	$13.2	1.0x
Tuttnauer [5]	61.8%	$51.7	$51.7	$0.5	$52.2	1.0x
Biological Industries	Sold	$11.3	$4.8	$39.6	$44.4	3.9x
Solynta [6]	21.4%	$14.1	$22.4	$ -	$22.4	1.7x
Fritz [7]	-	$30.8	$24.5	$10.3	$34.8	1.1x
IncrediBuild [8]	32.1%	$33.5	$69.7	$104.6	$174.3	5.2x
Gadot Biochemical Industries	100.0%	$8.0	$49.0	$0.1	$49.1	6.1x
Sugat Industries / Salt of the Earth [9]	80.0%	$49.1	$151.9	$100.6	$252.5	5.1x
Atlas Dynamics [10]	43.6%	$14.5	$14.5	$ -	$14.5	1.0x
Polytex Technologies [11]	48.5%	$9.5	$9.5	$ -	$9.5	1.0x
GigaSpaces Technologies [12]	40.3%	$19.5	$36.0	$ -	$36.0	1.8x
BeeWise Technologies	32.6%	$14.0	$30.6	$ -	$30.6	2.2x
Sweet Inn [13]	51.7%	$14.2	$14.2	$ -	$14.2	1.0x
Total		**$362.9**	**$621.2**	**$347.6**	**$968.8**	**2.7x**

1) *All data as of 30/9/2021*
2) *100% holdings together with Fortissimo III*
3) *Total gross investment of $90.9 million by the Fund together with Fortissimo IV, partially financed from internal cash generation of the company*
4) *Including $1 million invested after 30/9/2021*
5) *100% holdings together with co-investors*
6) *During the nine months ended September 30, 2021, the fund invested an additional Euro 2 million as part of 21 million Euro round at a pre-money company valuation of 85 million Euro*
7) *During 2020, the Fund signed a cancellation agreement. The invested amount does not include $11.5 million bank financing and $2.8 million interest paid by the Fund, which was already paid back as part of the cancellation agreement*
8) *During the nine months ended September 30, 2021, the Fund sold 57% of its holdings for $104 million, which represents $215 million equity value*
9) *During the nine months ended September 30, the Fund sold 20% of the company for ILS 134.7 million (approximately $42 million) to a third party.*
10) *Including $0.5 million invested after 30/9/2021. The Fund has an option to increase its holdings to 54%*
11) *The Fund has an option to increase its holdings to 57%*
12) *Including $2.5 million invested after 30/9/2021*
13) *During the nine months ended September 30, the fund invested an additional $7.1 million as part of the second tranche of the transaction*

M.A.P. MotoRad Automotive Parts Ltd.

Investment Summary	
Investment Amount	**$48.0M** (1,2)
Date of Initial Investment	October 2015
Holdings	100% (1)
Industry	Cooling system products for automotive aftermarket
BOD Representation	3 of 3
Headquarters	Misgav, Israel and Mt. Carmel, Illinois
Company Website	www.motoradusa.com
Deal Type	Buyout / Growth acceleration
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$147.2M
Entry Revenues (2015)	$61.4M
Entry EBITDA (2015)	$18.4M
Entry EBITDA Multiple	8.0x
Investment Breakdown at Entry	
Equity Value of Company	$90.9M (1,3)
Leverage (By Investee Company)	$60.3M
Total Transaction	$147.2M
Net Debt (Post Investment)	$56.3M
Current Status of Investment	
Total Return to Date	$1.9M
Realization Status	Unrealized

1) *70% owned by the Fund, 100% together with Fortissimo III*
2) *Total gross investment of $90.9 million by the Fund and Fortissimo III*
3) *A portion of the second, the third and the fourth tranche was paid by internal cash generated by MotoRad, thereby reducing our equity investment by $22.8 million*

BUSINESS DESCRIPTION

MotoRad manufactures cooling system and engine management products for the automotive aftermarket and OEM's. The company is the market leader in the North American aftermarket for high precision thermostats and specializes in inserts, wax elements, fuel caps and radiator caps. MotoRad's broad product portfolio covers 95% of light vehicle models in the North America aftermarket. After the acquisition of Stant's aftermarket business, Motorad has more than 90% market share of the US Aftermarket. MotoRad currently has a portfolio of 11 patents in thermostat and pressure cap technologies.

RECENT DEVELOPMENTS

The company is in the process of finalizing the integration of Stant's Aftermarket business while streamlining operations in the US and specifically at the Mount Carmel, Illinois facility. In Q3 2021 performance was strong with ~$29 million in revenues and $7.6 million adjusted EBITDA. During the nine months ended September 2021 the company achieved $86.2 million in revenues and $24.8 million adjusted EBITDA. For the full year (2021), the company is forecasting $115.6 million in revenues and adjusted EBITDA of $32.9 million, based on strong demand by large retailers and improved margins.

CHALLENGES AND OPPORTUNITIES

- Complete expansion of Mount Carmel facility
- Continue to win Engine Management business with large retailers
- Strengthen ROW (Mexico and Europe)
- Build EV (Electric Vehicle) cooling system after market initial plan
- Build 5-year plan and CAPEX investments required to serve a >$120 million revenue company and beyond

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
	USD in thousands		
Revenues	76,250	85,400	115,600
EBITDA	17,250	23,900	32,900
Net Debt [1]	36,100	48,750	

1) Not including factoring

Animated Story Boards Inc.

Investment Summary	
Investment Amount	**$9.5M** [1]
Date of Investment	February 2017
Holdings	39.3% [1]
Industry	Animation for commercials and advertising production
BOD Representation	2 of 4 [2]
Headquarters	New York and Tel Aviv
Company Website	www.animatedstoryboards.com
Deal Type	Growth acceleration
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$18.0M
Entry Revenues (2016)	$17.7M
Entry EBITDA (2016)	($1.0M)
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$17.0M [3]
Leverage (by the investee company)	$ --
Total Transaction	$7.8M (excluding option)
Net Debt	$1.0M
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *The Fund has a 2.5x liquidation preference on its equity investment. During the nine months ended September 30, 2021, a convertible loan in the amount of $1.725 million was converted to Preferred A shares of the company at a pre-money valuation of $23.5 million*
2) *The Board is comprised of two Fortissimo representatives and two representatives of the founders. In accordance with the company's charter, the parties may agree on a fifth independent director, although to date no such fifth director has been appointed*
3) *$5.8 million was invested into the company and $2.0 million was paid out to shareholders. The post-money equity value is $22.8 million*

BUSINESS DESCRIPTION

Animated Storyboards (ASB) comprises of 3 synergistic activities: 1) ASB, the original company that produces animated test commercials for advertising agencies and brands worldwide using advanced animation technologies. ASB uses unique production work streams to deliver fast, global and cost-effective execution. Headquartered in New York, ASB operates through 7 locations in key global markets and has over 250 highly trained employees, including 2D/3D animators, illustrators, designers, compositors, directors, art directors, editors, sound engineers and producers. ASB's offerings include commercial testing, illustrations for storyboards, audio services and original digital content. 2) V-Armed, a virtual reality-based simulation solution for defense and security entities; 3) Silver Spoon, which provides motion capture, Augmented Reality and virtual production services for feature films, TV programs, video games, commercials, and visual effects.

RECENT DEVELOPMENTS

ASB's core business during the nine months ended September 30, 2021 achieved revenues of $12.5 million representing 108% of its budget. The Silver Spoon business revenues for the same period reached $4.5 million which are in line with the budget. The V-Armed business, however, has significantly suffered from its project-oriented nature and the Covid-19 restrictions that drastically limited face-to-face meetings that are crucial to move forward new projects in this business. However, despite the slow start, we do see a healthy and promising pipeline of projects for V-Armed and expect that by year-end this business will likely sign a few major orders.

The biggest challenge for the company right now is to transform the potential growth engine of V-Armed and Silver Spoon from one-time/project-based businesses into scalable and repeatable ones. This transformation could be achieved by signing multi-season deals (for specific shows) with a variety of TV channels (for Silver Spoon) and by winning major projects for V-Armed with major and visible entities like LAPD, NYPD and FPD (where negotiations are in advanced stages).

CHALLENGES AND OPPORTUNITIES

- Keep ramping up ASB core business
- Accelerate the growth of V-Armed and Silver Spoon

FINANCIAL HIGHLIGHTS

	2019	2020E	2021E
	USD in thousands		
Revenues	18,700	21,500	24,000
EBITDA	3,400	3,800	300
Net Cash	(786)	(2,000)	N/A

Cardo Systems Ltd.

Investment Summary	
Investment Amount	**$22.0M**
Date of Investment	April 2017
Holdings	Sold (1)
Industry	Wireless communication systems for motorcycles
BOD Representation	2 of 4
Headquarters	Ra'anana, Israel
Company Website	www.cardosystems.com
Deal Type	Growth creation
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$23.7M
Entry Revenues (2016)	$17.3M
Entry EBITDA (2016)	($3.2M)
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$22.0M (2)
Leverage (by the investee company)	$ --
Total Transaction	$9.0M (excluding option)
Net Debt	$1.7M
Current Status of Investment	
Total Return to Date	$ 90.0M
Realization Status	Realized (1)

1) *In April 2021, Cardo was sold for total immediate consideration of $143 million, of which the Fund's share was ~$90 million, net (including an amount of $6 million that was paid to the Fund as a dividend)*
2) *Original investment of $7 million into the company and $2 million to selling shareholders. The original post-money equity value was $29.0 million*

Tritone Technologies Ltd.

Investment Summary	
Investment Amount	**$13.2M** (1)
Date of Investment	June 2017
Holdings	67.6% (1)
Industry	Additive manufacturing technology
BOD Representation	1 of 2
Headquarters	Israel
Company Website	http://tritoneam.com
Deal Type	Early stage
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$7.7M (2)
Entry Revenues	N/A
Entry EBITDA	N/A
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$7.7M (2)
Net Cash of the Company	$ --
Enterprise Value	$7.7M (2)
Leverage	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *During the nine months ended September 30, 2021, the Fund entered into a new agreement to provide an additional convertible bridge loan of up to $8 million payable in four equal installments of $2 million. $1 million was invested after 30/9/2021*
2) *Based on weighted average of total initial acquisitions*

BUSINESS DESCRIPTION

Tritone Technologies develops and markets revolutionary metal Additive Manufacturing to address the demanding standards and needs of metal-based industrial production. The company's innovative technology enables industrial throughput of accurate parts with a range of metal and ceramic materials, suitable for the Automotive, Aerospace, Medical and Consumer Electronics industries. Founded in 2017, Tritone is led by an experienced team of experts with a track record in driving technology and business growth.

RECENT DEVELOPMENTS

In Q3 2021, the company continued to focus on stabilizing its product and technology and on building its entry level, more basic machine that was introduced at the Formnext trade show (Frankfurt, Germany) in November 2021.

To date the company has signed and implemented four beta agreements/machines with significant and leading customers in that field, two in Germany and two in Israel. These customers are already working and testing the machine and provide extremely valuable feedback to the company.

These early beta agreements will result in $1 million of revenues for 2021. The company expects to ramp up sales next year with the deployment of an additional 15 new machines from both models.

The company has successfully signed distribution agreements with two very significant distributors in Germany and in Japan.

We remain optimistic with the prospects of the company and continue to support its growth.

Tuttnauer Co. Ltd.

Investment Summary	
Investment Amount	**$51.7M (additional $31.9M from co-investors)**
Date of Investment	August 2017
Holdings	62% from Fund and 38% from co-investors
Industry	Sterilization equipment for the healthcare and life sciences industries
BOD Representation	3 of 3
Headquarters	Beit Shemesh, Israel
Company Website	www.tuttnauer.com
Deal Type	Buyout / Turnaround
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$101.9M (1
Entry Revenues (2016)	$69.5M
Entry EBITDA (2016)	$11.3M
Entry EBITDA Multiple	8.9x (2)
Investment Breakdown at Entry	
Equity Value of Company	$71.9M (1)
Total Transaction	$101.9M (1)
Net Debt	$30.0M
Current Status of Investment	
Total Return to Date	$0.5M
Realization Status	Unrealized

1) *The entry EBITDA multiple is based on an enterprise value of $100.2 million due to a $6 million adjustment for the excess value of the company's real estate assets (two of the company's facilities) and the amount released from escrow*

BUSINESS DESCRIPTION

Tuttnauer is a market leader in infection prevention. The company manufactures autoclave sterilizers for the healthcare and life sciences industries. Tuttnauer's product offerings include both table-top and industrial autoclaves, washer disinfectors and other infection control products. Tuttnauer's products are used in hospitals, clinics, laboratories, and research institutes in more than 100 countries.

RECENT DEVELOPMENTS

Tuttnauer is currently focused on enhancing its growth through the release of new products and geographic expansion. The company has adjusted its manufacturing to enable the production of much larger quantities of its products, primarily by utilizing qualified outsourcing partners.

Tuttnauer is exploring opportunities to expand its recurring revenue business volume and is evaluating potential acquisitions and partnerships in chemical and biological indicators for sterilization. In addition, Tuttnauer is progressing with its Plasma autoclave product, which includes a material consumable component that will generate recurring revenues.

Revenues in Q3 2021 reached $23 million with ($0.8) million EBITDA. In the nine months ended September 30, 2021, revenues reached $69 million with $0.5 million EBITDA. The results are below budget mainly due to delivery challenges and the company expects to catch up with the budget during the last quarter of the year.

CHALLENGES AND OPPORTUNITIES

- Ramp up sales of the new table-top product, the "T-Edge"
- Overcome shortages of supplies of critical parts
- Gain meaningful market share for the new plasma sterilization product
- Continue to streamline operations, including outsourcing of production
- Improve on-line sales and digital marketing
- Comnplete acquisition of strategic companies to add consumables offerings and increase market presence

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
	USD in thousands		
Revenues	86,000	85,400	100,000
EBITDA	(3,200)	4,200	7,500
Net Debt	15,800	13,900	N/A

Florere B.V. ("Solynta")

Investment Summary	
Investment Amount	**$14.1M** (1)
Date of Investment	November 2017
Holdings	21.4% (2)
Industry	Breeding hybrid varieties of potato seeds
BOD Representation	1 of 5
Headquarters	The Netherlands
Company Website	www.solynta.com
Deal Type	Growth acceleration
Transaction Parameters	
Enterprise Value	$35.2M
Entry Revenues (2017E)	$1.7M
Entry EBITDA (2017E)	($2.7M)
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$35.2M
Total Transaction	$11.6M
Net Debt	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *Euro 2.0 million (of a Euro 4 million commitment) invested during the nine months ended September 30, 2021, as part of a Euro 21 million round at a pre-money company valuation of Euro 85 million*

BUSINESS DESCRIPTION

Solynta is a leading potato breeding and biotechnology company headquartered in the Netherlands that has developed a game-changing (non-GMO) technology platform for breeding hybrid varieties of potatoes. This breakthrough platform enables a seed-based supply chain, rather than a tuber-based supply chain, and allows for fast and predictable breeding for beneficial traits, thus finally unlocking the $70 billion farm gate value of potatoes. Potatoes are the fourth largest food crop in the world.

RECENT DEVELOPMENTS

During the past few quarters, Solynta exhibited significant improvement in yield and potato characteristics as well as to its seed production economics. With that improvement, the company soft launched commercially in West Africa. In addition, using on-line marketing, the company began selling into the home/hobby market in Europe.

On the business development side, the company is in a process with several large players regarding R&D collaboration and licensing of its seeds and technology for specific geographic markets and applications. Solynta was recently selected by Avebe, the world's largest potato starch processor, as its sole seed provider for development of potato-based protein products.

In July 2021, Soylnta raised EUR 21 million at a EUR 85 million pre-money valuation, in a round that was oversubscribed. Half of the amount was paid at the closing and half is to be paid upon request of the company. The valuation in the recent round reflects a ~2x increase compared to the valuation of the company at our initial investment. Fortissimo invested its pro-rata amount – EUR 4 million (in two tranches).

CHALLENGES AND OPPORTUNITIES

- Continue to improve yield and other key traits
- Establish partnerships with key industry players
- Develop supply chain for potato seeds (e.g., production, nurseries, growers)
- Transition from an R&D-focused company to a commercial-focused one

Fritz Companies Israel T. Ltd.

Investment Summary	
Investment Amount	**$30.8M (1)**
Date of Investment	March 2018
Holdings (2)	-
Industry	International freight forwarding
BOD Representation (2)	None
Headquarters	Or Yehuda
Company Website	www.fritz.co.il
Deal Type	Partially buyout / Growth acceleration
Transaction Parameters	
Enterprise Value	$118.8M
Entry Net Revenues (2017)	$135.0M (3)
Entry EBITDA (2017)	$11.3M (3)
Entry EBITDA Multiple	10.5x
Investment Breakdown at Entry	
Equity Value of Company	$94.6M
Leverage (by the Fund)	$14.2M
Total Transaction (Including leverage)	$45.0M (1)
Net Debt of Company	$24.2M (4)
Current Status of Investment	
Total Return to Date	$10.3M (5)
Realization Status	Deal cancellation (2)

1) *The investment amount does not include $11.5 million bank financing and $2.8 million interest paid by the Fund. The debt was repaid when the deal was cancelled*
2) *In 2020, the Fund signed a cancellation agreement for a total amount of $43 million (not including $2.3 million dividend and management fees received in the period from the investment until the cancellation)*
3) *Revenues are net of direct costs to third parties - freight and logistics providers. EBITDA has been adjusted by deducting interest expenses related to financing of freight for customers*
4) *Does not include debt against credit to customers or debt against customers' inventory*
5) *Total payments recognized during the period from investment until cancellation was $43 million. This amount includes future payments of $24.5 million, guaranteed by a bank guarantee. All bank financing was repaid*

BUSINESS DESCRIPTION

Fritz is the second largest player in the Israeli market for international freight forwarding with over 1,000 employees. Fritz provides comprehensive logistics solutions, including international freight forwarding, supply chain solutions, inventory management solutions, and inland transportation services. Fritz has a strategic alliance with FedEx Trade Networks, deployed in airports and seaports around the world.

RECENT DEVELOPMENTS

In 2020, the Fund received an offer from its partner, who originally sold 50% of the company's shares to us, to cancel the original investment transaction. Given the company's situation, we accepted the offer. In June 2020 an agreement cancelling our investment agreement was signed. The investment amount of ~$43 million is to be returned to the Fund (the calculation takes into account the investment, dividends and management fees received).

Pursuant to the cancellation agreement, the Fund initially received the first payment, $12 million and repaid the credit that the Fund took from a bank to finance the original transaction. In June 2021 an additional payment was received by Fortissimo in the amount of $8 million. The remaining payments are to be received in three additional annual payments and are secured by a bank guarantee.

IncrediBuild Software Ltd.

Investment Summary	
Investment Amount	**$33.5M (1)**
Date of Investment	May 2018
Holdings	32.1% (2)
Industry	Developer of software acceleration technology
BOD Representation	1of 3
Headquarters	Givatayim, Israel
Company Website	www.incredibuild.com
Deal Type	Buyout / Growth acceleration
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$38.0M
Entry Invoicing (2018B)	$11.0M
Entry Cash EBITDA (2018B)	$6.2M
Entry EBITDA Multiple	6.2x
Investment Breakdown at Entry	
Equity Value of Company	$40.0M (1)
Net Cash of Company	$2.0M
Enterprise Value	$38.0M
Current Status of Investment	
Total Return to Date	$104.6M
Realization Status	Partially Realized (2)

1) *Out of the $40.0 million equity value, $5.0 million is an earn-out based on 2018 results which was paid during 2019, from internal cash generation of the company*
2) *During the nine months ended September 30, 2021, the Fund sold 57% of its holdings for $104 million, which represents a company equity value of $215 million*

BUSINESS DESCRIPTION

IncrediBuild provides software acceleration technology that reduces the time required for software builds, tests, and other DevOps processes. By harnessing unutilized processing power in private and public cloud environments, IncrediBuild allows these processes to be executed in parallel over a distributed network. More than 120,000 users at over 2,000 companies and organizations use IncrediBuild, including 20 Fortune 100 companies.

RECENT DEVELOPMENTS

In April 2021, the Fund sold 57% of its holdings to Insight Partners for $104 million, which represents a company equity value of $215 million. In addition, Insight invested $20 million into the company to finance growth. Following the investment of Insight Partners, Incredibuild initiated a growth acceleration plan, which includes significant hiring of new personnel on all fronts. In addition, for the first time, the company hired a sales team in the US.

Incredibuild continued to exhibit growth during the first nine months of the year. While new logos progressed slower than anticipated, renewals and expansions continue to be strong. The company is improving its go-to-market activity and as a result, the pipeline has increased significantly and the incremental ARR in the second half of the year has improved, as compared to the first half.

In March, the company released a new product offering, IB-10, to a select group of customers. IB-10 offers significant new features and capabilities, and we believe it will facilitate gaining new logos and expanding the company’s footprint with existing customers.

CHALLENGES AND OPPORTUNITIES

- Continue recruiting strong talent, both on the R&D and go-to-market fronts.
- Enhance breadth of offering in terms of platforms and products
- Expand geographically
- Penetrate new customer verticals
- Strengthen sales and marketing efforts
- Leverage strong customer base to upsell additional products and solutions to existing customers

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
	USD in thousands		
ARR	10,890	16,680	24,000
EBITDA	4,500	1,350	(5,200)
Net Cash	(4,700)	(4,460)	N/A

Gadot Biochemical Industries Ltd.

Investment Summary	
Investment Amount	**$8.0M** (1)
Date of Investment	May 2018
Holdings	100%
Industry	Ingredients for enrichment of food and beverages
BOD Representation	2 of 2
Headquarters	Haifa, Israel
Company Website	www.gadotbio.com
Deal Type	Buyout / Growth creation
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$13.5M (2)
Entry Net Revenues (2018B)	$49.5M
Entry EBITDA (2018B)	$5.3M
Entry EBITDA Multiple	2.5x
Investment Breakdown at Entry	
Equity Value of Company	$11.0M (1)
Net Debt of Company	$2.5M (2)
Enterprise Value	$13.5M (2)
Leverage (Seller Loan)	$3.0M
Current Status of Investment	
Total Return to Date	$0.1M
Realization Status	Unrealized

1) *The total transaction of $11.0 million was partly financed by a seller loan of $3.0 million from the Delek Group that was repaid from internal cash generation of the company*
2) *The Fund acquired Gadot on a cash-free, debt-free basis. The net debt of $2.5 million at entry is comprised entirely of factoring*

BUSINESS DESCRIPTION

Gadot Biochemical Industries ("GBI") is a leading manufacturer of food and nutraceutical ingredients enriched with specialty salts and citric acid. The company's products are mainly used for the enrichment of food and beverages and the development of functional foods and beverages. With a history of over 50 years, GBI supplies these non-GMO ingredients to several of the largest producers in the food, beverage, pharmaceutical and nutritional supplement industries.

RECENT DEVELOPMENTS

GBI reached sales of $50 million in YTD Sep 2021, up 21% compared to YTD Sep 2020, driven by global demand for food ingredients and an increase in commodity prices across all sectors. The company reached EBITDA of $5.8 million in YTD Sep 2021 compared to $5.6 million in YTD Sep 2020.

During the last year, input prices have increased substantially due to the global shock to supply chains and rising freight costs. GBI started transferring these price increases to all its customers, albeit with some lag, and therefore expects short term impact to its contribution margin for the full 2021 financial year. The company has already closed most of its 2022 planned budget at higher volumes and substantially higher prices and believes it will allow the company to reach record revenues and increased margins.

Since our acquisition, GBI has invested more than $20 million in the company's plant to increase capacity and upgrade its infrastructure, manufacturing standards and manufacturing complexity, all from internal cash generation and some bank funding. We believe these investments will bear fruit next year and GBI will enjoy substantial growth in sales and profitability.

GBI is also developing a business plan to utilize its idle fermentation plant that was closed before our acquisition. The company is developing a new product line for sugar substitutes based on Isomalt and Mannitol, which has significant market potential. The decision to restart the fermentation plant and invest additional funds will be made by the end of the year.

The company continues to explore potential acquisitions in North America and Israel to expand the company's product offering, customer base, international presence and production capabilities.

CHALLENGES AND OPPORTUNITIES

- Shift product mix towards higher margin products
- Increase production capacity
- Invest in new product development
- Utilize idle production sites (e.g., wastewater treatment plant, fermentation plant)
- Explore potential acquisitions

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
		USD in thousands	
Revenues	55,050	54,480	70,000
EBITDA	5,350	6,690	7,500
Net Debt (Cash)	(200)	9,300	N/A

Sugat Industries Ltd. / Salt of the Earth Ltd.

Investment Summary	
Investment Amount	**$49.1M** (1)
Date of Investment	January 2019
Holdings	80% (post the sale of minority stake) (2)
Industry	Fast moving consumer goods
BOD Representation	4 of 5
Headquarters	Atlit, Israel
Company Website	www.sugat.com / www.saltoftheearthltd.com
Deal Type	Buyout / Growth creation
Transaction Parameters (Data as of Original Investment Date) 3)	
Enterprise Value	$32.4M (4)
Entry Net Revenues (2018B)	$35.2M
Entry EBITDA (2018B)	$6.6M
Entry EBITDA Multiple	4.9x
Investment Breakdown at Entry (2)	
Equity Value of Company	$20.2M (4)
Net Debt and Surplus Assets	$12.2M (5)
Enterprise Value	$32.4M
Leverage	$14.9M (5)
Current Status of Investment	
Total Return to Date	$100.6M
Realization Status	Partially realized

1) *Including investment to acquire Sugat (the fund invested another $28.9 million to acquire Sugat)*
2) *During the nine months ended September 30, 2021, the Fund sold 20% of its holdings in SoE for ILS 134.7 million (approximately $ 42 million) to a third party. Before this sale, the Fund held 100% of SoE*
3) *Initial acquisition of Salt of the Earth*
4) *Total transaction of $41.1 million financed by a loan of $14.9 million and sale of real estate shortly after the transaction*
5) *The Fund acquired Salt of the Earth on a cash-free, debt-free basis. The net debt of $12.2 million at entry is comprised of leverage of $14.9 million (at the SPV level) net of surplus real estate of $2.7 million*

BUSINESS DESCRIPTION

Sugat Industries / Salt of the Earth (collectively, the "company" or Sugat) is one of the leading dry food suppliers in Israel with iconic brands that are present in almost every household in Israel. The company offers a wide range of retail products in various categories such as salt, sugar, rice, legumes, cooking oil and specialty flours. The company's products have strong market positions, with market shares of over 50% in most categories. In addition to its strong retail presence, the company also offers products to the industrial and HORECA markets, serving food manufactures, restaurants, hotels and other industrial companies.

RECENT DEVELOPMENTS

Sugat continues to enjoy strong demand for its products across all categories driven, amongst others, by the ongoing effects of the global pandemic. We anticipate that the demand will remain strong in the following quarters as challenges from the pandemic remain and outward tourism continues to be limited. In the last few months, the company started facing substantial increases in input costs and is working hard to mitigate them by optimizing its sourcing, operational excellence initiatives and some product price increases.

In addition, in early February 2021, Sugat sold the real estate on which its plant resides for net proceeds of ~$55 million. Sugat plans to move to a more appropriate site that fits its future growth needs within the next few years. Until then it will lease the current site from the new owner.

In June 2021, Sugat acquired the retail business of Shemen Industries, one of the leading branded cooking oil companies in Israel. Shemen owns some of the most well-known oil brands in Israel with market shares of above 30% in almost all cooking oil segments, where it is positioned as a premium brand. The transaction was an asset deal and was funded entirely with bank debt.

Lastly, in August 2021, we sold 20% of our holdings in the company to the investment arm of a leading Israeli financial institution. The transaction was completed at an enterprise value of NIS 900 million (NIS 700 million equity value) and the proceeds to the fund were NIS 134 million or ~$42 million. For the acquisition of Salt of the Earth and Sugat we invested a total of $49 million of equity to date (initial investment was made in Jan-2019). The real estate and minority stake realizations returned already $100.6 million or 2x of Fortissimo IV's total investment, while we still hold 80% of the company.

The company continues to explore several additional acquisitions in the dry foods sector in Israel and expects to sign one or two new deals within the next few months.

CHALLENGES AND OPPORTUNITIES

- Consolidate manufacturing / distribution sites
- Expand product offering under the Sugat brand name
- Explore additional M&A opportunities
- Integrate the acquisition of Shemen and harvest synergies
- Continue shifting product mix from basic to premium
- Mitigate price increases across the supply chain

FINANCIAL HIGHLIGHTS

	2019 [1]	2020	2021PF [3]
	NIS in thousands		
Revenues	580,000	577,000	775,000
EBITDA	31,600	64,900	90,000
Net Debt [2]	129,200	118,000	N/A

1) *Including full year of Sugat*
2) *Including SPV leverage*
3) *Proforma for the acquisition of Shemen and the sale and lease back of the real estate*

Atlas Dynamics Limited

Investment Summary	
Investment Amount	**$13.9M** (1)
Date of Investment	April 2019
Holdings	43.6% (2)
Industry	Autonomous unmanned aerial systems (UAS)
BOD Representation	1 of 3
Headquarters	Riga, Latvia
Company Website	www.atlasdynamics.eu
Deal Type	Growth Creation
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$14.8M (3)
Entry Revenues (2018E)	$0.3M
Entry EBITDA (2018E)	($1.9M)
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$14.8M
Net Debt of the Company	$ --
Enterprise Value	$14.8M
Leverage	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *The Fund has a 1x participating liquidation preference on its equity investment. The investment includes a $1 million payment for a portion of an outstanding convertible loan and an option to acquire the remainder of the convertible loan. During Q3 2021, the Fund invested an additional $0.9 million in Atlas in the form of a convertible bridge loan*
2) *The Fund has an option to increase its holdings to up to 54%*
3) *$3 million was invested into the company and $2 million was paid out to shareholders (at different valuations). The weighted average equity value was $14.8 million*

BUSINESS DESCRIPTION

Atlas Dynamics develops and manufactures autonomous Unmanned Aerial Systems (UAS) for professional use. Founded in Europe in 2015 by aerospace and robotics professionals with a vision to disrupt the UAS sphere, Atlas Dynamics utilizes its proprietary technology to provide its users with valuable data quickly and safely through advanced, highly robust and easy-to-use aerospace technology. The company's customers include prominent defense, security, and infrastructure institutions across the U.S., Europe, and Asia.

RECENT DEVELOPMENTS

The company is still challenged with converting its pipeline into actual sales.

In the last few months, the company began streamlining and preparing for mass production of its Nest system, in anticipation of increased demand from the market for a 'drone-in-a-box' solution. The ability to mass-produce the Nest will enable the company to push its sales and receive POs, as it was a bottleneck until now.

As part of the efforts to diversify from defense clients to commercial and industrial clients, the company hired a team that will build and lead its sales efforts in the U.S, focusing on commercial clients.

The company is focused on building partnerships with drone-services companies to accelerate growth. As part of these efforts, the company signed a strategic contract for its Nest system with a company that provides UAS services and solutions. According to this contract several systems of nests and drones were sold to our partner, and if all goes well, there is an opportunity to grow this partnership rapidly.

CHALLENGES AND OPPORTUNITIES

- Reinforce management team and leadership
- Convert mature pipeline into business
- Secure few commercial sales of Nest
- Ramp up production
- Enrich the pipeline

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
		EUR in thousands	
Revenues	970	1,400	3,000
EBITDA	(3,150)	(1,990)	(2,700)
Net Cash	(660)	(130)	N/A

Polytex Technologies

Investment Summary	
Investment Amount	**$9.5M** (1)
Date of Investment	July 2019
Holdings	48.5% (2)
Industry	Automatic solution for textile management
BOD Representation	3 of 4
Headquarters	Hadera, Israel
Company Website	http://polytex-technologies.com
Deal Type	Growth acceleration
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$15.9M (3)
Entry Revenues (2018E)	$9.3M
Entry EBITDA (2018E)	$2.5M
Entry EBITDA Multiple	6.4x
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$17.1M (3)
Net Cash of the Company	$1.2M
Enterprise Value	$15.9M
Leverage	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *The Fund has a 1x non-participating liquidation preference on its equity investment prior to the fifth anniversary and 1.5x after the fifth anniversary.*
2) *The Fund has an option to increase its holdings to up to 57% for an additional investment of $4.8 million*
3) *$2.5 million was invested into the company and $6 million was paid out to shareholders*

BUSINESS DESCRIPTION

Polytex Technologies is a leading provider of automated workwear management solutions. Polytex supports the entire workwear laundry lifecycle with a wide range of automated machines backed by centralized cloud management and monitoring applications. Its solutions are used by hospitals and healthcare institutes, manufacturing sites, hospitality and fitness centers. Polytex has over two decades of field-proven industry experience and thousands of installed machines worldwide.

RECENT DEVELOPMENTS

Polytex is performing in accordance with its budget, demonstrating 18% growth in Sept 21, YTD revenues compared to September 20 YTD.

The company is focusing on shifting its business model from one-time sales to a leasing model to increase its recurring revenues and improve its margins. The Company's recurring revenues (ARR) grew from $2.7 million in Q3 2020 to $3.9 million in Q3 2021, above the budget of 2021 of $3.3 million.

As part of the expansion plan and initiative to gain new recurring business, the company acquired its distributor in Germany, which will become the center of operations in Europe and allow Polytex to offer cloud services and control software to its clients. A new CEO was brought to manage the German entity, and he is working on building the infrastructure to expedite the growth in the European market.

The company intends to expand its product offering and plans to launch its next generation of systems in Q4 2021 with complementary features to enrich its solution.

CHALLENGES AND OPPORTUNITIES

- Increase global recurring revenues
- Secure and build upon its relationship with its partner in North America
- Expand geographically in selected territories and market segments
- Enhance technological innovation

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
	USD in thousands		
Revenues	9,600	13,080	14,500
EBITDA	470	1,100	320
Net Cash	(3,600)	(850)	N/A

GigaSpaces

Investment Summary	
Investment Amount	**$19.5M** (1) (2)
Date of Investment	March 2020
Holdings	40.3% (1) (2)
Industry	In-Memory Computing Platform
BOD Representation	3 of 6
Headquarters	Herzliya, Israel
Company Website	www.gigaspaces.com
Deal Type	Growth acceleration
Transaction Parameters	
Enterprise Value	$34.0M
Entry Revenues (2019E)	$11.2M
Entry ARR (2019E)	$3.9M
Entry EBITDA (2019E)	$0.4M
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$38.0M
Net Cash of the Company	$4.0M
Enterprise Value	$34.0M
Leverage	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *GigaSpaces raised a total of $12.0 million in the latest round, of which Fortissimo invested a total of $9.0 million into the company. In addition, the Fund paid $8 million to acquire additional shares from certain existing shareholders of the company*
2) *Including $2.5 million invested subsequent to September 30, 2021 in a new round at a valuation of 2x our initial investment*

BUSINESS DESCRIPTION

GigaSpaces is redefining in-memory technology to drive enterprise digital transformation with unparalleled speed, performance and scale. The Smart Cache, Digital Integration Hub (DIH) and Smart Augmented Transactions platforms are powered by a unique combination of smart and autonomous data operations and management capabilities.

The company sells primarily to large global enterprises in transaction-heavy industries such as financial services, retail and transportation.

RECENT DEVELOPMENTS

GigaSpaces is performing according to budget, finishing Q3 with $11.7 million in contracted ARR.

The company recently launched two new products that fit well-defined industry categories, in order to simplify and shorten its sales cycle and enable rapid expansion.

One of its main new offerings addresses the 'Digital Integration Hub' (DIH) product category, which is a strategic element of large enterprise IT infrastructure. Within a few months from launching the product, the company already won a strategic deal with one of the leading banks in Israel, using GigaSpaces DIH solution as the infrastructure for all the bank’s digital services. Furthermore, at the beginning of Q4, the bank has made a strategic investment of $8 million in GigaSpaces through its investment arm, leading a larger investment round that included participation from existing investors at a valuation of 2x our initial investment.

The company is also in an advanced process of multiple P.O.C’s for its DIH solution, and it has a lot of confidence in this market segment and believes it can lead to a strong growth of the business.

CHALLENGES AND OPPORTUNITIES

- Strengthen sales, marketing, and R&D efforts
- Leverage partners (Capgemini, Informatica, Redhat etc.) and VARs
- Develop lighter/ SaaS offering for easier sales and addressing the SMB market

FINANCIAL HIGHLIGHTS

	2019	2020	2021E
	USD in thousands		
ARR	3,900	8,060	12,500
EBITDA	430	(1,630)	(4,400)
Net Cash	-	(11,600)	N/A

BEEWISE Technologies Ltd.

Investment Summary	
Investment Amount	**$14.0M** (1)
Date of Investment	June 2020
Holdings	32.6% (1)
Industry	Autonomous Beehive
BOD Representation	2 of 5
Headquarters	Beit HaEmek, Israel
Company Website	www.beewise.ag
Deal Type	Growth creation
Transaction Parameters **(Data as of Original Investment Date)**	
Enterprise Value	$13.0M
Entry Revenues (2019E)	N/A
Entry EBITDA (2019E)	N/A
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company (pre-money)	$16.0M
Net Cash of the Company	$3.0M
Enterprise Value	$13.0
Leverage	$ --
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *During the nine months ended September 30, 2021, Beewise raised additional capital from a US-based VC fund at a pre-money company valuation of $85 million. The Fund invested $5.9 million as part of that financing round*

BUSINESS DESCRIPTION

Beewise developed the world's first autonomous beehives that operate with minimal human intervention by utilizing AI-powered precision robotics.

The company's solution automates all beekeeping activities to increase yield, reduce colony loss and eliminate the use of chemical pesticides. Beewise is a comprehensive solution that aims to keep bees alive despite all the challenges they face, allowing them to thrive, pollinate and produce honey.

RECENT DEVELOPMENTS

In the last quarter, the company was focused on finalizing the design and manufacture of its new version of the 'Beehome' and started deliveries of this product both in Israel and the U.S.

So far, the feedback from customers is positive, and we see significant improvement in many of the beekeeper's most important KPIs – number of bees, honey yield and reduced manual labor. In addition, all Israeli customers are in the process of ordering additional systems.

Although the company is not aggressively promoting its product, it received orders for thousands of systems from beekeepers in Israel and the U.S. The company is now ramping up its operations to deliver additional 30 systems already in 2021, and building the infrastructure for contract manufacturing of hundreds of systems in 2022.

The company officially opened its U.S operation, as the VP product relocated to California and supported the first few systems' deliveries. Beewise continues to increase its team (already 60 people) to support its rapid growth.

The company is exploring a few alternatives for raising additional equity/debt to increase the pace even further. With almost unlimited demand at this point, the company wants to be able to take advantage of the tremendous opportunity.

CHALLENGES AND OPPORTUNITIES

- Reinforce team and leadership
- Preparation for significant delivery of systems in 2022
- Optimize the business model

Sweet Inn LUX S.A.

Investment Summary	
Investment Amount	**$14.2M [1]**
Date of Initial Investment	November 2020
Holdings	51.7%
Industry	Travel tech company
BOD Representation	3 out of 6
Headquarters	Luxembourg
Company Website	www.sweetinn.com
Deal Type	Growth creation
Transaction Parameters (Data as of Original Investment Date)	
Enterprise Value	$29.7M
Entry Revenues (2020E)	$10.3M
Entry EBITDA (2020E)	($11.1M)
Entry EBITDA Multiple	N/A
Investment Breakdown at Entry	
Equity Value of Company	$12.2M
Leverage (by the Investee Company)	-
Total Transaction	$7.1M
Net Debt (Post Transaction)	$9.1M
Current Status of Investment	
Total Return to Date	$ --
Realization Status	Unrealized

1) *$7.1 million invested in Q3 2021 as part of the second tranche of the transaction*

BUSINESS DESCRIPTION

Founded in 2014, Sweet Inn's vision is to combine the best aspects of hotel accommodation and short-term apartment rental into a single product to match modern travelers' expectations. Sweet Inn offers tourists and business travelers worldwide the chance to rent a private apartment with the benefits of a full range of personalized services. The company has developed proprietary technology and services to offer a unique experience to its customers while streamlining operations and cost structure.

Sweet Inn's business model includes master leasing of buildings and renting their apartments, as well as various partnership agreements with owners of buildings and apartments. Under the master lease model, the company operates in five cities (Paris, Barcelona, Brussels, Milan and Jerusalem) and is active in 24 additional cities through partnerships. Overall, the company offers over 1000 upscale apartments.

RECENT DEVELOPMENTS

We invested in Sweet Inn in November 2020, after the company suffered a significant decline in its business due to the COVID-19 crisis. The investment thesis is that the company has a unique platform with a great portfolio of apartments, that is likely to return to achieving significant growth and profitability once people are able to travel again.

In recent months, we see a significant increase in bookings and price per night across the company's portfolio of apartments. The company continues to manage its operation in a lean and cost-effective manner, leveraging technology solutions for digitize and streamline its operation processes.

The company is actively working on many growth opportunities of new apartments to expand its offering, aiming to grow its portfolio of apartments by more than 50% in 2022, which will allow it to expand its margins.

In Q3 we invested an additional $7 million as part of the second tranche of our transaction.

CHALLENGES AND OPPORTUNITIES

- Get through the COVID situation with as minimum a negative impact as possible
- Preparation for post-COVID – look for growth opportunities in the selected cities
- Focus on business travelers and extended stays for the coming future
- Business model diversification – management contracts (no rent, but lower margins), partnerships

FINANCIAL HIGHLIGHTS

	2019	2020E	2021E
	EUR in thousands		
Revenues	34,200	11,400	13,000
EBITDA	(8,180)	(8,800)	(4,000)
Net Debt	17,100	14,550	N/A