



cafebazaar.ir

CAFE BAZAAR GLOBAL REPORT

A COMPREHENSIVE OVERVIEW OF THE LARGEST THIRD PARTY APP STORE
IN THE MIDDLE EAST AND ITS INTERNATIONAL PARTNERSHIPS.

oct 2019

INTRODUCTION

While Cafe Bazaar maybe a household name in Iran, almost half of all Iranians use Cafe Bazaar, the platform's strong focus on the Persian-speaking users of the MENA region has at times limited its appetite for broader international outreach in the past. Cafe Bazaar issues regular annual and quarterly reports regarding the overall progress of the application marketplace and other reports pertaining to the health and continued commercialization of its base of domestic developer partners . These reports are available in Persian and heavily consumed by Persian-speaking news and technology media.

As Cafe Bazaar's international partnerships have born significant fruit in the last few years, the company has sought to further engage the international community of developers, especially in China, as well as a broader community of gamers, technology-focused experts, industry thought leaders and media professionals around the world. This report contains a general introduction to the platform and the larger company around it as well as a comprehensive explanation of our international appeal and global engagement efforts.



1.

CAFE BAZAAR

2019
22.000
40M
164K

In 2011, the year of Cafe Bazaar's founding, regular Iranians were looking to technology to simplify and enrich their lives. Talented developers and engineers were looking towards applications and games that would meet those needs. The efforts of both groups were frustrated when they tried to engage international applications and games platforms that were not built around their lives. Cafe Bazaar's local focus allows it to build a marketplace built around their culture, language tastes and consumer habits.

Since Cafe Bazaar established this bridge between users and developers, the growth of technology and use of technology in the daily lives of regular people has been significant. 6 years ago, Cafe Bazaar had 6 million users and was working with over 3,000 developer teams and companies. Today, Cafe Bazaar has surpassed 40 million users and is working with a community of 22,000 developer teams and companies. In total, the marketplace features more than 164,000 Apps and Games. With the proliferation of smartphones and e-commerce, Iranians are using technology in their everyday lives more than ever before and we are grateful to have played a significant role in that.



CURRENT SITUATION:

67%
CAGR
DEVELOPERS'
INCOME

12.5%
AVERAGE YEARLY
ACTIVE INSTALL
GROWTH

8.2M
DAU RECORD

30M
MAU

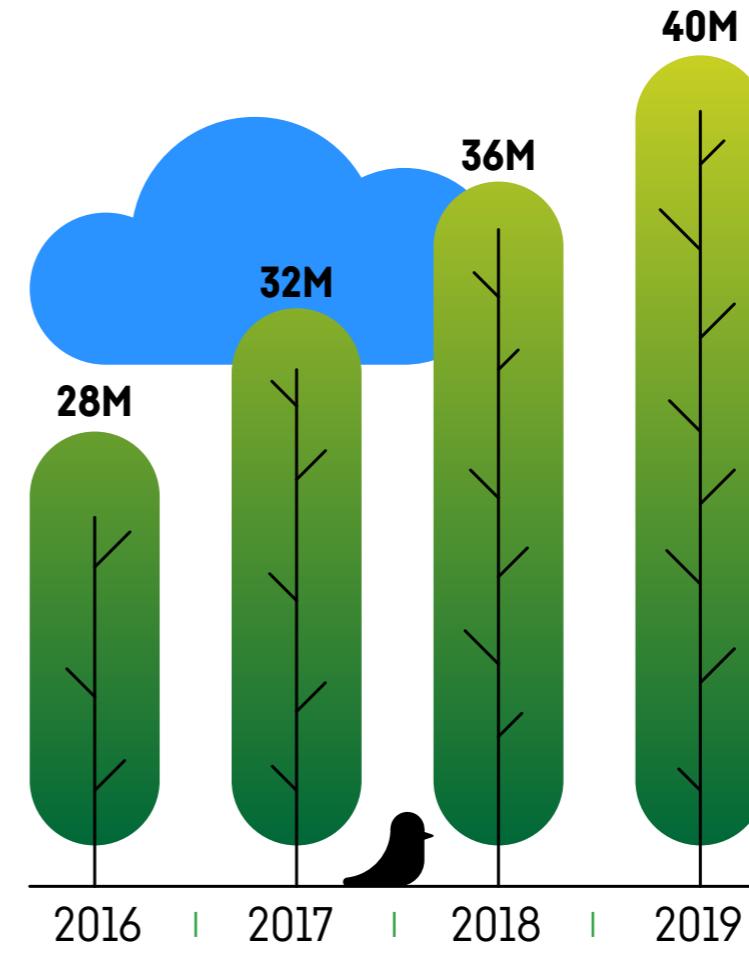


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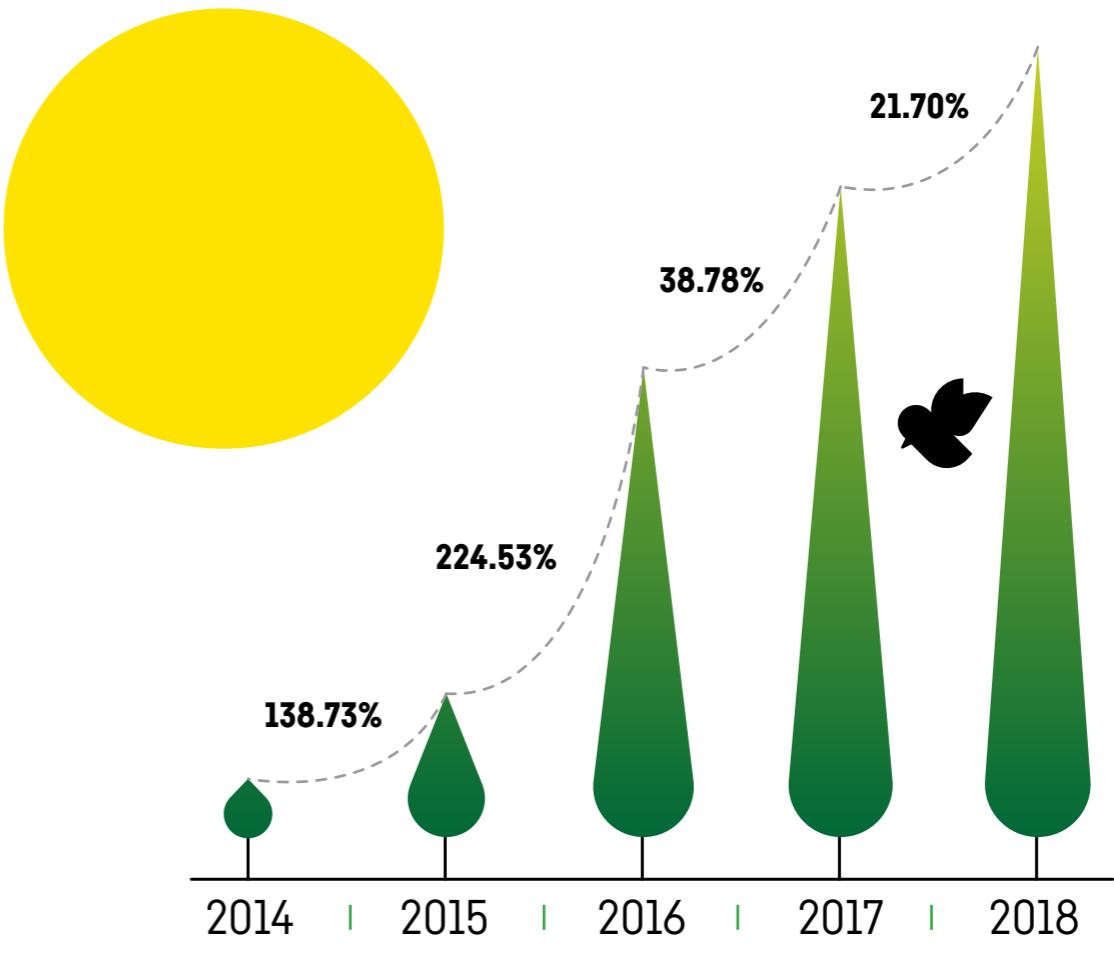
ACTIVE INSTALLS

Active installations of our marketplace have increased significantly and consistently over the last few years as more and more android users embrace an app store built around their language, culture, economy and tastes. During the next year, we will build on our new initiatives, including video content, artificial intelligence and web infrastructure projects, that will both improve our marketplace and the user experience. The expansion of our game market, with both domestic and localized foreign games, will play a key role in our growth strategy.

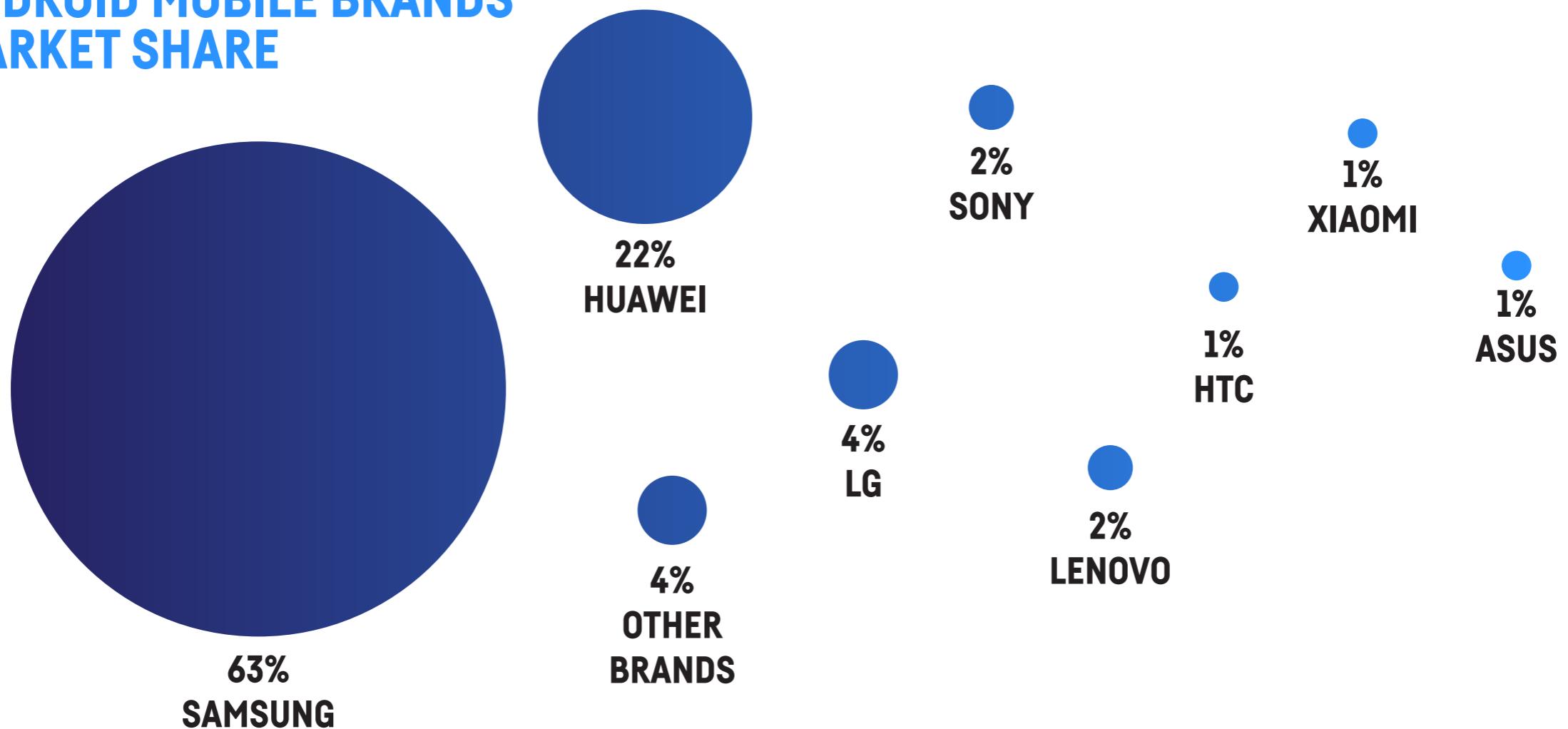


REVENUE GROWTH

In terms of revenue, Cafe Bazaar exhibits strong growth. Over the past five years, the compound annual growth rate of developer income was %67.



ANDROID MOBILE BRANDS MARKET SHARE



While Samsung has long been a smartphone leader in the Iranian market, Chinese brands, led by Huawei, have a strong presence in the market. 22% of Cafe Bazaar users have Huawei smartphones and other internationally renowned Chinese brands Lenovo, HTC, Xiaomi and ASUS have established a foothold and are in position to expand their presence.



2. MOBILE GAMING HUB

According to Cafe Bazaar's latest annual report, as of the end of this Persian calendar year, there are 31,361 games available on Cafe Bazaar's digital marketplace. Gaming has become a key part of Cafe Bazaar's application catalog and a feature highly desired by our users. The comprehensive and diverse categories of quality games produced both domestically and abroad has made Cafe Bazaar's digital marketplace the central hub for mobile gamers in Iran. The growth of Cafe Bazaar and the Iranian mobile game market has also allowed developers to commercialize. Developers who started developing games as a hobby over a decade ago now have a reliable platform to engage users and have developed into proper studios with significant revenue streams and large staff.

While Cafe Bazaar has thrived as a market uniquely tailored to Persian speaking audiences, international games have found significant success in our market after localizing their games with the help of local publishers. There are about 120 non-Iranian publishers and developers offering about 800 products through Cafe Bazaar. Prominent foreign game developers including Finland's Supercell (by many metrics the most successful game studio in the world) as well as China's Tap4Fun, Elex, Youzu and Moonton, among others, have staked a position in the Iranian market through offering their products on Cafe Bazaar.



Clash of kings.



Clash of clans.



Mobile Legends.



Clash Royal.



Clash of Zombies.



Cafe Bazaar is looking to further build its relationships with international developers to expand its game catalogue. In doing so, China has become a particular point of focus. Significant resources have been allocated to engaging Chinese media outlets and developers.



International media outlets including The Wall Street Journal, Venture Beat, Reuters, El Pais, Radio France International, Washington Post, Pheonix TV, CCTV, The Global Times, China Radio, Sohu and China.com have covered Cafe Bazaar and our cooperation with Chinese developers.



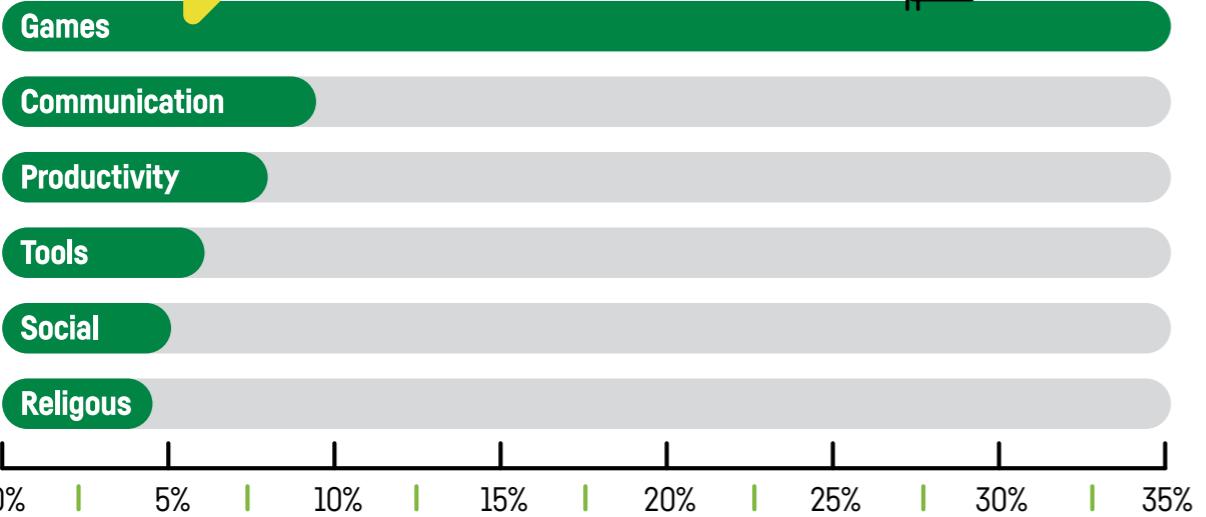
Those developers and publishers that are interested in further engaging the Persian-speakers in the region should consider that while the Google Play store is available in Iran, it does not provide services like financial transfers. Therefore, the only way to monetize the offering of games in the largest Persian-speaking market is to engage local platforms of which Cafe Bazaar is by far the largest. Cafe Bazaar's dominant position in Iran's Android applications market means partnering with Cafe Bazaar can put a developer's product at the fingertips of 40 million users.

Domestic publishers and Cafe Bazaar serve as local partners working to ensure strong user experience and a successful

market presence for the products of international firms by enhancing engagement, localization, promotion and connection to local servers. Through local publishers, foreign developers can access localization capacity, market knowledge, language expertise, and proven communications strategies, as well as customer support and at times technical support. Creative data-driven promotions, planned by the Cafe Bazaar editors, ensure significant and repeated exposure. According to Cafe Bazaar's latest annual report, among mobile gamers, 6 million users prefer Iranian games, 6 million users prefer foreign developed games, while 14 million users are inclined towards both.



Our data has shown us that users in Iran have a strong passion for games. There are more than 28 million mobile gamers in our market. More than 35 percent of our monthly downloads are from games.



35%
MONTHLY DOWNLOADS
ARE FROM GAMES

\$20
ARPPU
FOR
TOP GAMES

\$200K
MONTHLY
INCOME
FOR
TOP GAMES

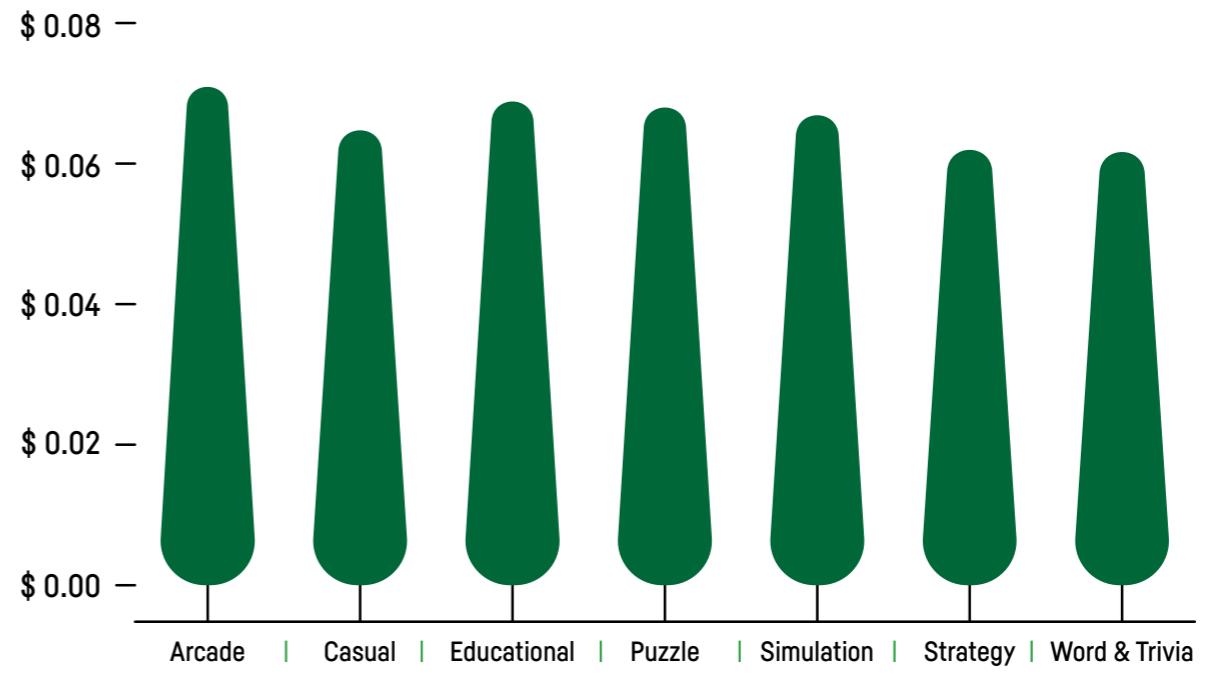
\$0.06
CPI



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PROMOTION OPTIONS

Aside from the aforementioned data-driven promotions, Cafe Bazaar can provide tools like search ads that are available to developers at a Cost Per Installation [CPI] of \$0.06. The CPI is significantly lower than that of most other markets, making user acquisition a relatively easy endeavor.



3. ABOUT OUR COMPANY



cafebazaar.ir



balad.ir



divar.ir

Cafe Bazaar is the lead product of a technology conglomerate, the Hezardastan Information Technology Development Group, which is also the owner of Iran's largest classified advertisements application, Divar, and Iran's fastest-growing navigation application, Balad. The Hezardastan Information Technology Development Group was founded in 2011 and is owned by an international group of shareholders. The company was founded as, and continue to be, an entirely private, non-governmental institution.

DIVAR: The largest online classified advertising platform in Iran. It has been compared to eBay.

BALAD: Balad Maps is a smartphone application established in 2018. It has been one of the fastest-growing start-ups in Iran and currently has more than 2 million users.



	NAME	SHARE
1	Founders and Managers	39.65%
2	Rahnema Kamyaban Nokhostin Co.	29.92%
3	Novin Andishan Sarava Pars Co.	19.22%
4	Other Legal entities	7.85%
5	Incentive Share Committed to Employees	2.06%
6	Employees incentive	1.31%

In 2018, Amsterdam-based International Internet Investment Coöperatief (IIIC) committed to investing €38 million in Cafe Bazaar's parent company, Hezardastan Information Technology Development Group, in exchange for a %10 stake. This gives the company a valuation of €380 million. This investment provided Hezardastan with significant resources that were primarily invested in the mentioned AI and web infrastructure projects.



4. CONTACT INFO



WE LOOK FORWARD TO BUILDING A SUCCESSFUL PARTNERSHIP WITH GAME DEVELOPERS AROUND THE WORLD.



GOLNAR RAMESH
SENIOR BUSINESS DEVELOPER

Linkedin [golnarramesh](#)
Wechat [golnarramesh](#)
Email Golnar@cafebazaar.ir
Skype [golnar.ramesh](#)



ALIREZA AHMADI
GLOBAL MEDIA ENGAGEMENT

Linkedin [alirezaahmadicb](#)
Wechat [alihahmadicb](#)
Email alireza.ahmadi@cafebazaar.ir
Skype [alireza.ahmadi](#)



VAHAB EMAMI
CHINA REGIONAL MANAGER

Linkedin [vaham-emami](#)
Wechat [vahabemami](#)
Email vahab@cafebazaar.ir
Skype [vahab.emami](#)



FARDAD KOMEILI
CHINA REGIONAL CONSULTANT

Linkedin [fardad-komeili](#)
Wechat [fardxd](#)
Email fardad.komeili@cafebazaar.ir
Skype [fardad.komeili_2](#)



EHSAN Z. PARVAR
SENIOR BUSINESS DEVELOPER

Linkedin [ehsaneraatparvar](#)
Wechat [ehsanztpp](#)
Email ehsan.z@cafebazaar.ir
Skype [ehsan.zp](#)

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THANK YOU

