

Under BDL's circular 331

LIBANK invests in three startups

Equity stakes in software, content, and services



Levant Investment Bank (LIBANK) has acquired stakes in the two information technology companies, M media and Torch SAL, for a combined value of \$5.9 million and has closed on a third acquisition in the same sector, said *Tony Ghorayeb*, the bank's Chairman.

TORCH

LIBANK has acquired a 68 percent stake in Torch SAL for \$3.4 million. Torch was founded by former MP, *Ghinwa Jalloul*, and launched in December 2015. Torch is part of the startup ecosystem of the knowledge economy under the Central Bank's circular 331, Jalloul said. It will officially start operations in March and will focus on training and acceleration programs in the IT sector, such as programming, coding, mobile apps, and cloud computing. It will help entrepreneurs develop ideas that could result in new software products like mobile applications and train them in business skills to help them transform their ideas into business ventures. It will offer fresh graduates training scholarships and accept

graduates from other disciplines who may wish to develop IT products, she said. Torch SAL will connect entrepreneurs to financiers to help them grow their businesses.

WHAT ABOUT TOMORROW?

M media is another company in which LIBANK acquired a 12.5 percent. The investment was for \$2.5 million. M media is incorporated under M Publishing SAL. Post money, the company has *Charles Youssef Hajj* as a principal shareholder with 65 percent and Mercury Media (Eli Khoury) with 22.5 percent. It is an online platform founded in 2012 by Quantum Holding. LIBANK's investment in M media is also under the Central Bank's circular 331, Ghorayeb said. *Moe Hamzeh*, Head of Programming at M media said that his company launched its beta platform in December and that in the second half of 2016, it will launch its subscription service and will start selling e-books online. *Eli Khoury*, also Chairman of M media, will release a documentary of five episodes, in 2016 and a movie version of *Ziad Rahbani's* play, 'Film

Ameriki Taweel', he said. The company launched a movie version of Rahbani's play, 'Bennebeh Labokra Chou', last month. M media compiles Lebanese and Middle Eastern cultural works and publishes them online. It targets the local market as well as the Middle East region and the Lebanese and Arab diaspora. Production work is carried out by its sister company Mercury (Eli Khoury and other shareholders). Founded in 2000, Quantum provides a broad spectrum of communication services, such as advertising, digital media, and content production and distribution. Khoury is its major shareholder.

...AND THE DAY AFTER?

Ghorayeb said they have closed on a third investment with a software company according to BDL's circular 331 and that the deal awaits Central Bank approval. This company is developing a software program for banking services, he said.

WHO IS LIBANK?

LIBANK is engaged in asset and wealth management and financial engineering. It has an investment portfolio of nearly \$500 million. Its local investment portfolio is worth about \$200 million. The bank was founded in 2012 and its overseas operations focus on the UK. The bank has a subsidiary in London that lists small and medium sized companies (SMEs) on the stock exchange. Ghorayeb said they are willing to do similar work locally, if the electronic trading platform (ETP), planned by the Central Bank, is implemented. The ETP's role will be to provide liquidity to startups and SMEs that will be able to list their shares on the platform.

Reported by *Shikrallah Nakhoul*

ON OUR WEBSITE

More information is available by typing the numbers below into the **Reference Finder** on our home page

▶ **L0316-79** Contact information

▶ www.opportunities.com.lb