



Kuan Capital and Xenia Venture Capital sign MOU for cross border China – Israel cooperation

The companies will create a bridge between Israeli technologies and Chinese markets and capital

Xenia Venture Capital an Israeli early stage investment firm (TASE: XENA) and Kuan Capital, a leading Chinese investment and merchant banking firm, will collaborate in order to open Chinese markets and investments for Israeli technologies in high tech and med tech

Tel Aviv - Shanghai , December 19, 2014: Xenia Venture Capital (TASE: XENA), and Kuan Capital announced that they have signed a memorandum of understanding for cooperation. Xenia is an Israeli venture capital investment company traded on the Tel Aviv Stock Exchange, and Kuan Capital is an investment and merchant banking firm, based in Shanghai, China.

Xenia and Kuan will aim at creating a bridge between Israeli hi-tech and med tech companies and Chinese markets and capital. The collaboration will encompass the usage of respective firms' infrastructure, deal flow, connections to players in relevant industries as well as investors and public markets in both countries. The objective of the collaboration is to provide access for Israeli technologies to Chinese markets and capital.

The two companies will also take steps to expose technologies and products developed by companies in Xenia's portfolio and deal flow to Chinese interested parties, including strategic and distribution parties as well as potential investors.



In addition, the two companies will collaborate to assess new potential investments, both from their own resources and in collaboration with investors in both countries.

According to **Michael Kuan, Founder of Kuan Capital Group**, “we are happy to collaborate with Xenia, and we expect that our collaboration will open a door for us to invest in Israel, one of world’s leading countries for innovation and technological development. Xenia possesses abilities and access to a wide range of local projects and technologies that can be implemented in the Chinese market, and we intend to consider funding and commercializing them in the Chinese market, taking full advantage of our knowledge and experience in investing in China.”

According to **Anat Segal, CEO of Xenia Venture Capital**, “The collaboration with Kuan Capital is a beginning a new long-term relationship with significant potential for both sides. Over the past years we have seen a growing interest from Chinese companies and investors in Israeli technologies as well as a growing shift in focus of Israeli technology companies in Chinese markets. This partnership is aimed at leveraging on this trend, which, we believe will continue to grow, and create yet more opportunities for investors and businesses. We are very excited about this relationship and the opportunity to promote our portfolio companies as well as other companies alongside a professional and experienced investment group.”

About Kuan Capital

Kuan Capital provides growth capital and business value creation services to companies and clients in China, US and Hong Kong. Since the early 90s, the partners of Kuan Capital are pioneers of investment in China and have established a consistent track record. Kuan Capital were the early investors and provide key roles in investments such as Liming Network, Chinadotcom, Sina, Cybercity, Shanghai Technology Park, Grandhope and Hippo Animation. Kuan Capital current portfolio consists of more than 20 technology companies across our investment themes: Healthy Life, Digital Life, and Green Life.

Kuan Capital's team is comprised of international investment and merchant banking professionals who have executed over \$1 billion in investment and global transactions. In addition to lead investment in all stages, Kuan Capital's team also offers a wide range of professional services including advice on business strategy,



mergers & acquisitions, as well as IP and brand management services from offices in Shanghai, Hong Kong and San Francisco.

Kuan Capital is a privately held investment firm registered in Hong Kong. Most of the funding come from shareholders and invited financial institutions. Kuan Capital's goal is to identify, invest in and provide strategic services to cutting edge technology ventures that will benefit our future generations

<http://www.kuancapital.com>

About Xenia Venture Capital:

Xenia Venture Capital is a hi-tech investment company publicly traded in the Tel Aviv Stock Exchange (TASE). Xenia is engaged in investing in early stage companies in the areas of high tech and med tech in Israel. In addition to financing, Xenia provides its companies with top-notch mentoring, business and strategic counseling, fund raising assistance and exit planning, as well as basic infrastructure and peripheral services. Xenia management, board and advisory board are comprised of highly experienced entrepreneurs and business professionals with proven track records in various industries.

Since its inception in 2004, Xenia has invested in over 26 companies, which have attained significant technology and business achievements, resulting in substantial valuation increases.

Over the years, Xenia has obtained a significant position in the Israeli high tech eco system, and has established significant cooperation and strategic relations with leading partners in Israel, US, Europe and the Far East

Among Xenia principal portfolio companies are:

Superfish -- a visual web-based search engine with over 80 million users.

Polypid -- a platform for local, slow controlled release of a range of drugs for a wide variety of applications, including orthopedics, dental implants and SSI

Playcast -- a cloud gaming platform for A rated games.

Saguna -- a mobile caching platform to relieve loads in mobile networks for operators and content providers

OrthoSpace -- a biodegradable balloon for treatment of Rotator Cuff Syndrome.

www.xenia.co.il