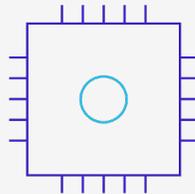


# DEEP TECH UPDATE

STRATEGIC M&A • VENTURE CAPITAL • INSIGHTS



**AI & COMPUTER  
VISION**



**SEMICONDUCTOR  
ECOSYSTEMS**



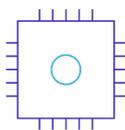
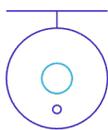
**IoT & EDGE  
INTELLIGENCE**

**FALL UPDATE**

August 2023

# ABOUT CONNECTED VISION ADVISORS

## DEEP TECH INVESTMENT BANKING



+ **We are a deep tech investment banking firm.** We advise on M&A and capital raise transactions and are experts at driving strategic value in technology deals.

+ **We aren't your typical financial bankers.** We are electrical engineers and former executives, and we have seen deals from all sides: large tech, startups and as bankers. Our experience gives us unique insights that helps us drive the best outcome for our clients.

+ **We focus on AI, Computer Vision, Semiconductor Ecosystems and Edge Intelligence,** working with market-leading software, hardware and IP companies. We follow markets like Automotive, Industrial Automation, Smart Buildings, Consumer Electronics and Enterprise.

+ **Our team is global,** based in the USA, Europe and Canada. We have deep experience doing deals across North America and Europe.

+ **We work with buyers and investors** like Qualcomm, SONY, Cisco, ARM, Bosch, Amazon, Renesas, Intel, Lattice, Faurecia and many more.

## Transaction Experience

 Series B  	<b>RADAR IMAGING SEMICONDUCTOR</b> Has been acquired by 	<b>mirametrix</b> Has been acquired by 	 Has been acquired by 	<b>MOD.CAM</b> Has been acquired by 	 IP licensed by 
<b>IoT Security &amp; AIOPS</b> Has been acquired by 	<b>CLOUD NATIVE ACTIVE TESTING</b> Has been acquired by 	<b>SMART GRID IoT</b> Has been acquired by 	 Has been acquired by 	 <b>faurecia</b> Strategic Advisory	<b>TWISTEDPAIR</b> Has been acquired by 

# DEEP TECHNOLOGY

M&A, CAPITAL and INDUSTRY NEWS

## While You Were At The Beach This Summer – AI, RISC-V and Parmesan Cheese

- **Biden limits U.S. investments in Chinese A.I. and chip industry** in effort to weaken its military's access to advanced tech - [Fortune](#)
- **Bosch, Infineon, NXP, Qualcomm and Nordic team up on RISC-V** with a German joint venture to collaborate on the open architecture. - [Hackster.io](#)
- **ARM Readies for its IPO**, expected to be the largest offering of 2023 - [WSJ](#)
- **TinyML will be the largest driver of the microcontroller market** – Remi El-Ouazzane, President of STMicroelectronics microcontrollers group. [EE Times](#)
- **Tech Layoff Tracker** – Intel, TikTok, Niantic, Dell. [Crunchbase](#)
- **WeCrashed Again** – WeWork goes from \$47B valuation to near zero. [TechCrunch](#)
- **Next Time You Buy Parmesan, Watch out for the Microchip** - Food producers are going to ever greater lengths to protect their billion-dollar markets against knockoffs - [WSJ](#)



Image generated by Dall-E

## VC Valuations are Up in 2023? The Good and Bad News



Deep Tech M&A valuations are starting to recover in 2023 [\[see page 6\]](#)



Top Deep Tech buyers last 2 years [\[see page 6\]](#)    



Deep Tech VC deal counts down across all rounds in 2023 [\[see page 8\]](#)



Deep Tech valuation are up in Seed, A, and C+ rounds. **Why?** Deal counts are down, meaning that investors are being more selective. Fewer companies are being anointed the “winners” and getting funded at up-rounds. [\[see page 8\]](#)

# INTERESTING M&A TRANSACTIONS

## DEEP TECHNOLOGY ACQUISITIONS



acquired by



IoT • Semiconductor

### ATLAZO ACQUIRED BY NORDIC

**DEAL METRICS:** NR

Nordic Semiconductor has purchased the IP of San Diego based Atlazo, which was developing low-power MCUs optimized for machine learning. Nordic makes low-power wireless chips for IoT. Previously, Atlazo had raised \$34M up to a Series B.



acquired by



Industrial IoT • Semiconductor

### FOGHORN ACQUIRED BY INTEL FROM JOHNSON CONTROLS

**DEAL METRICS:** NR

FogHorn is a developer of edge intelligence software designed to deliver real-time industrial analytics to resource-constrained edge devices. The company changed hands for the second time since 2021, when it was previously sold to Johnson Controls. Prior to its first acquisition by JCI, it had raised \$73M of venture funding on a valuation of \$175M.



acquired by



AI • Neural Networks

### MOSAIC ML ACQUIRED BY DATABRICKS

**DEAL METRICS:** \$1.3B

San Francisco based MosaicML is a developer of software infrastructure and AI training algorithms designs to improve the efficiency of neural networks and train large-scale models on customers' proprietary data. Previously, MosaicML had raised only \$34M in VC funding.

MosaicML stands out for its hardware acceleration software for generative AI workloads. As GPUs become scarcer and cloud computing costs rise, these capabilities become valuable to deliver as a service.

# INTERESTING VC TRANSACTIONS

## DEEP TECHNOLOGY - SERIES B AND ABOVE



SERIES C

AI • ADAS • L4 • Robotics

### HELM.AI \$55M SERIES C

**PRE-MONEY: NR • 2.3x Valuation Step-Up**

**INVESTORS:** Freeman Group, Honda, Goodyear

Helm.ai raised a \$55M Series C led by the Freeman Group on August 16, 2023. Honda, Goodyear Ventures, Hanwa, SungWoo Hightec and ACVC Partners also participated. Helm.ai is an AI-based driving technology used to facilitate ADAS, L4 Autonomous driving and robotics.



SERIES B

AI • Analog Semiconductor

### ASPINITY \$11M SERIES B

**PRE-MONEY: \$17M • 1.1x Valuation Step-Up**

**INVESTORS:** Bantam Group, Mountain State Capital, TechNexus. Previous investors included Amazon Alexa & ANZU Partners

Aspinity is a developer of all-analog signal processing circuits that focus on early cues before turning on higher power processing and data analysis. This approach ultimately reduces power consumption by an order of magnitude for always-on sensing applications.



SERIES C

AI • Semiconductor

### FURIOSA \$62M SERIES C

**PRE-MONEY: NR • Valuation Step-Up NR**

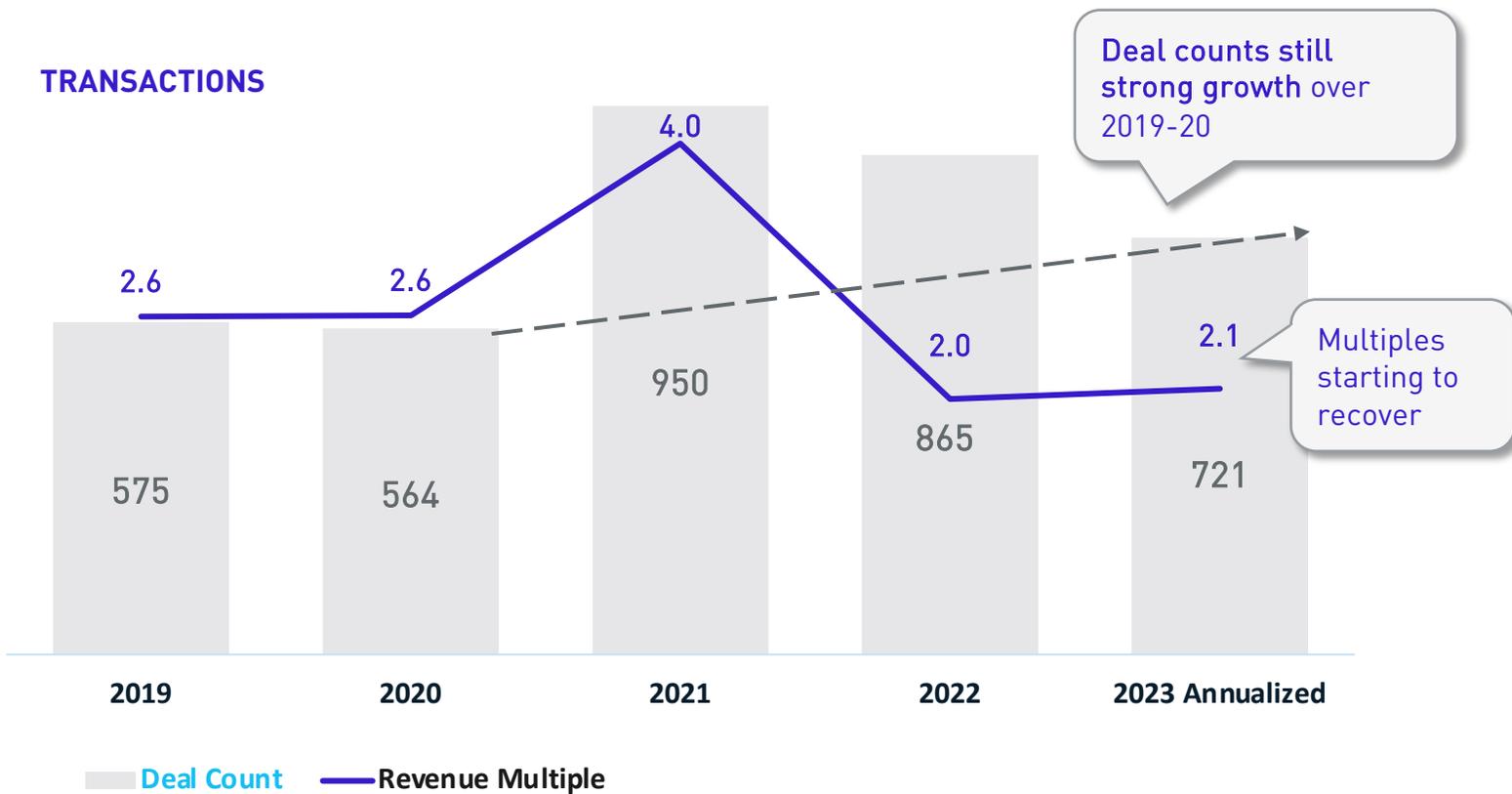
**INVESTORS:** InterVest, Aion, DSC Investment, Korea Development Bank and others.

Furiosa is a Seoul-based developer of AI inference co-processors used in autonomous driving, data centers and robotics. The company has raised \$136M to date.

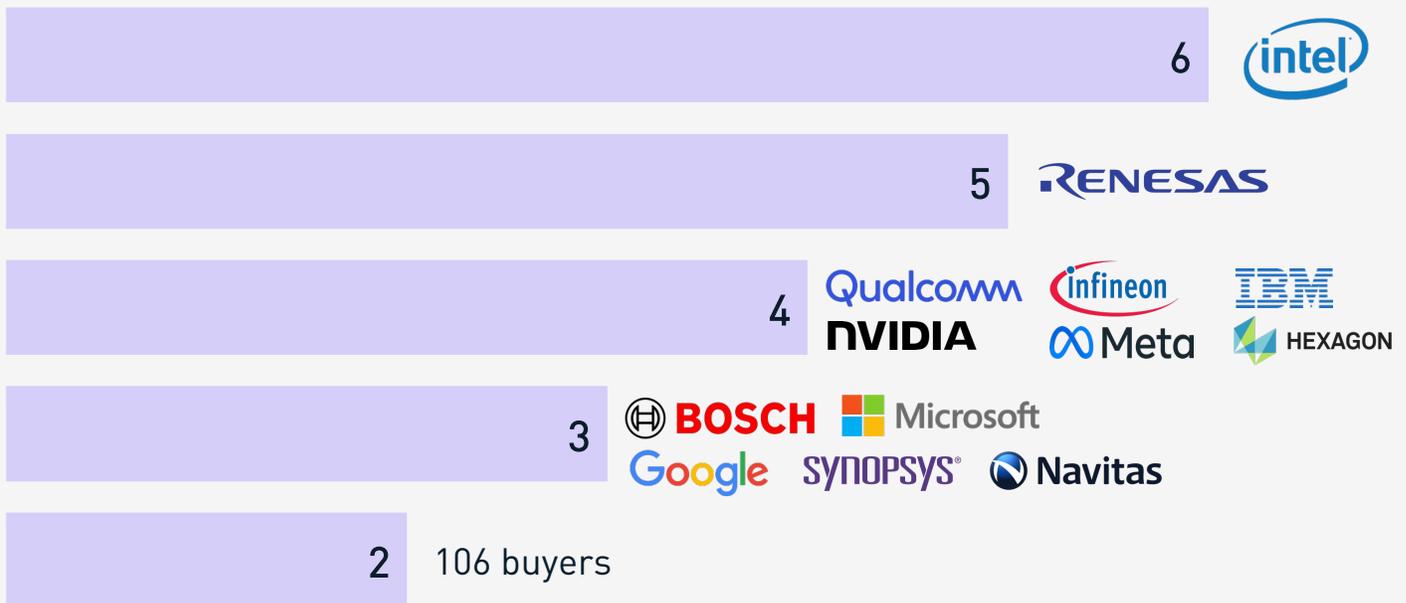
# DEEP TECH STRATEGIC M&A

AI, COMPUTER VISION, SEMICONDUCTORS, IoT/EDGE

## TRANSACTIONS



## TOP BUYERS - DEAL COUNT LAST 2 YEARS

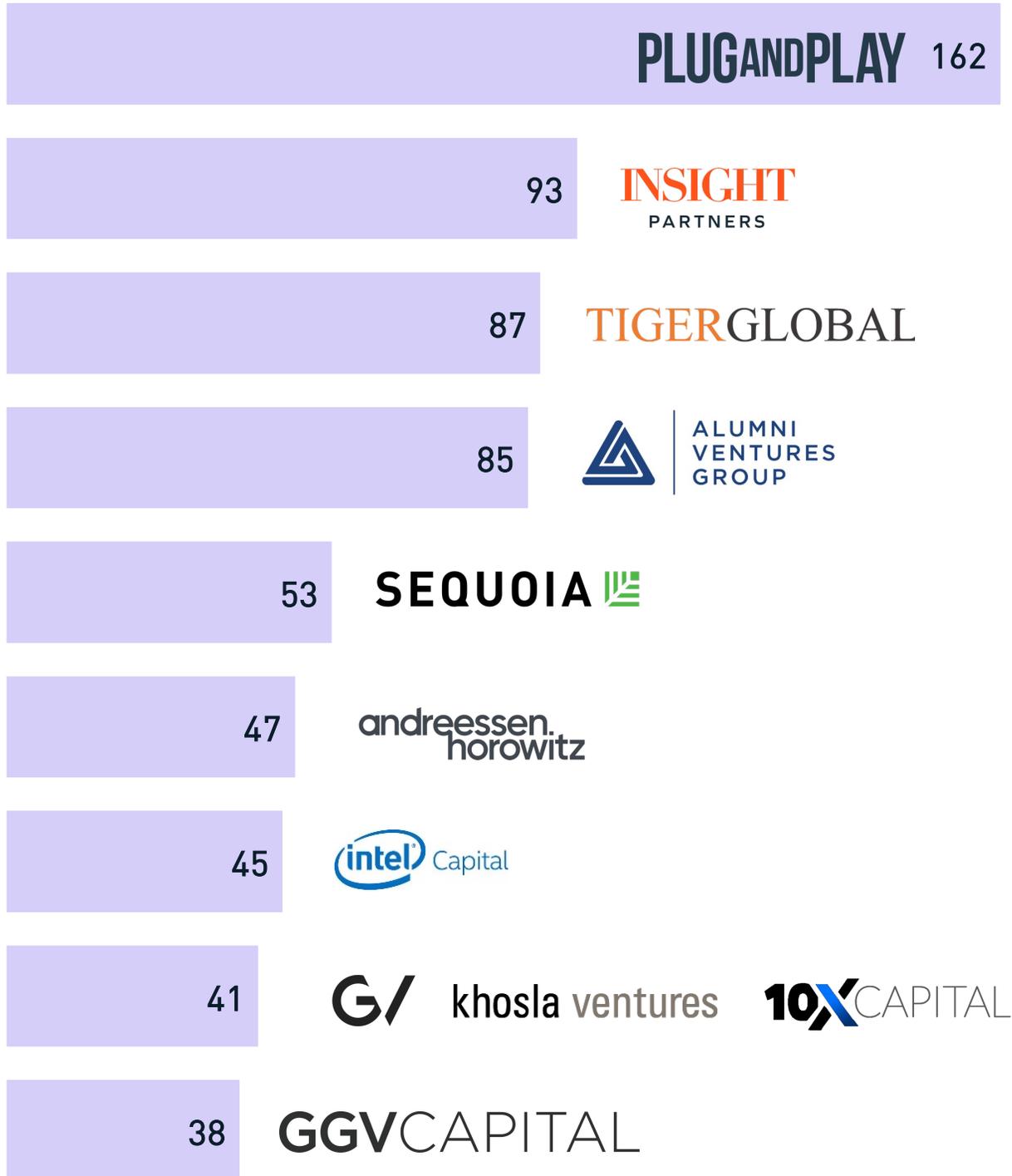


2,571 buyers with at least 1 deal

# DEEP TECH INVESTORS

GROWTH EQUITY, SERIES A AND HIGHER

## TOP INVESTORS – DEAL COUNT LAST 2 YEARS

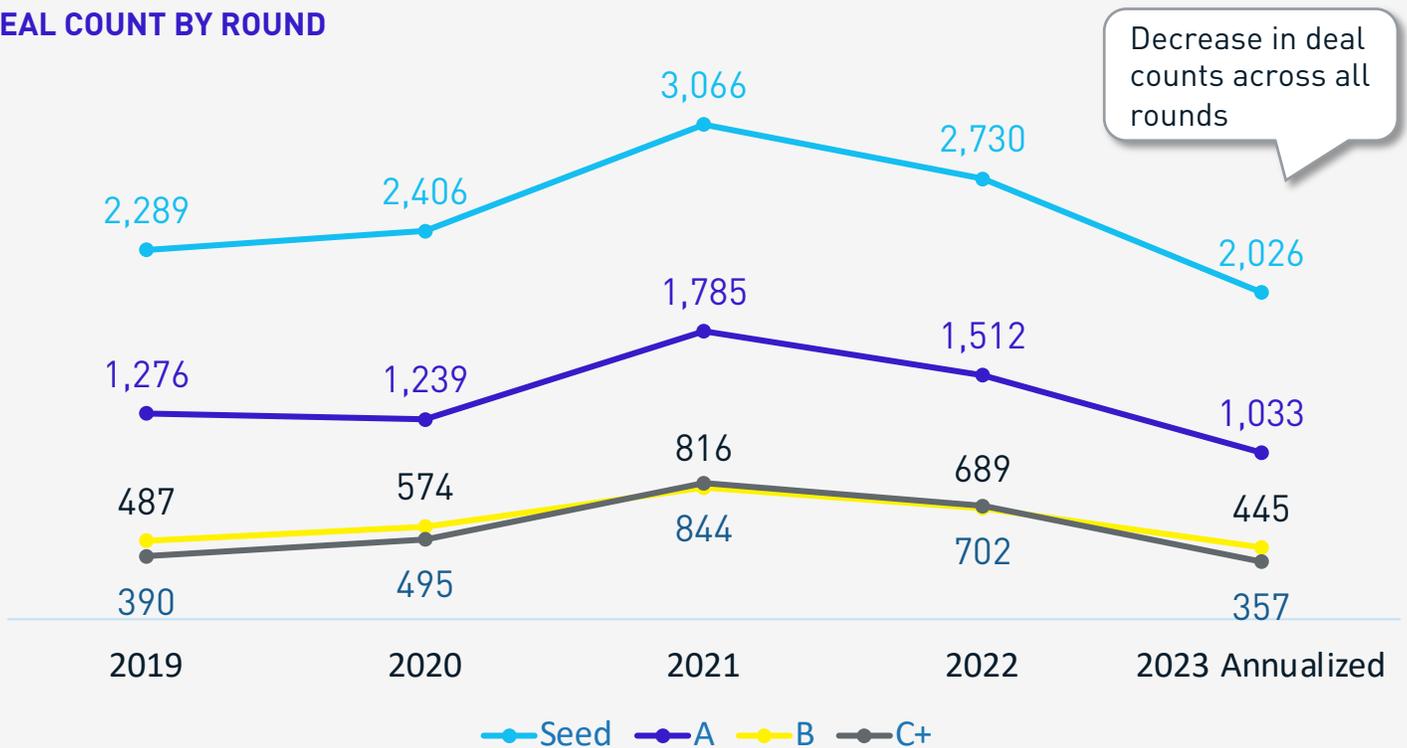


18.330 investors with at least 1 deal

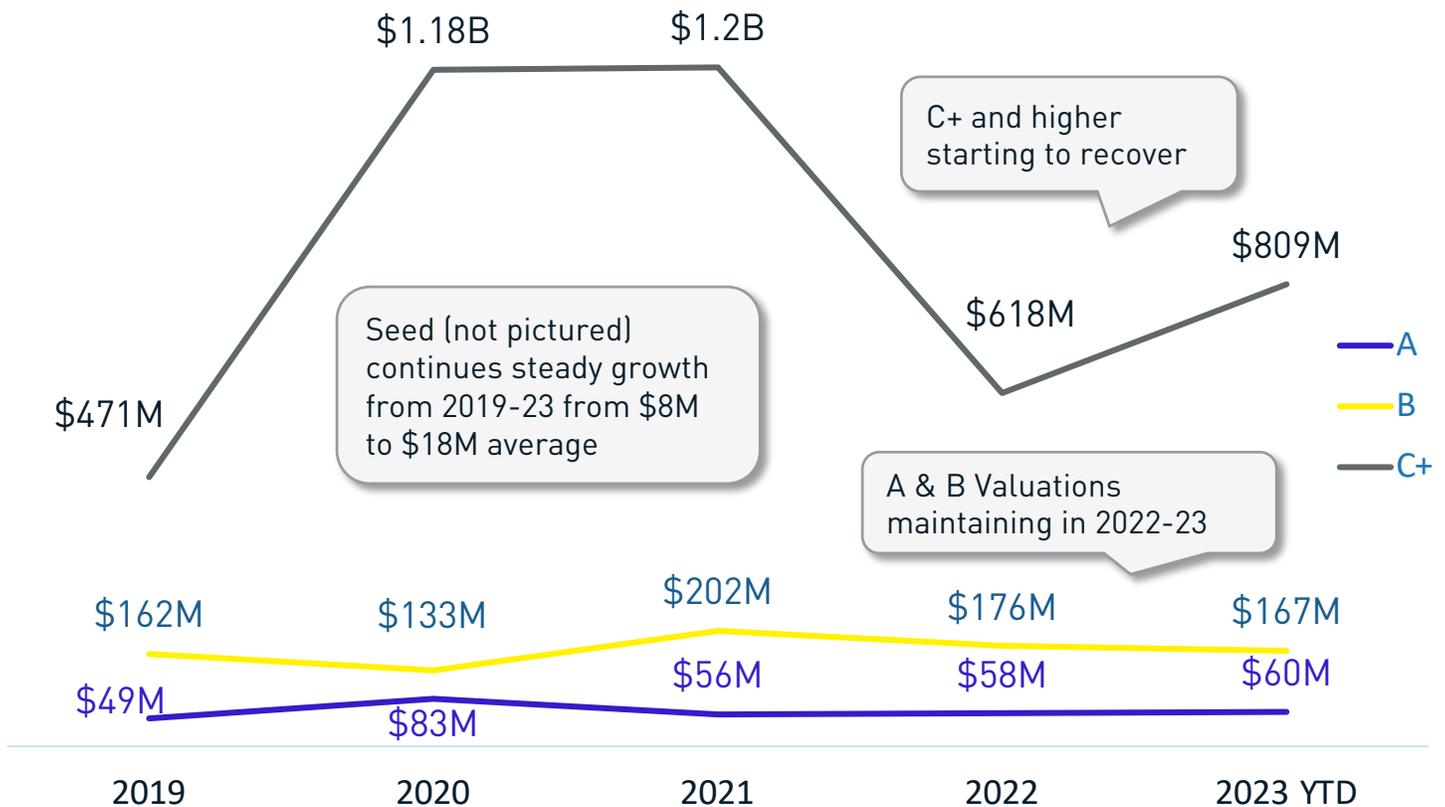
# DEEP TECH CAPITAL RAISES

FEWER DEALS BUT VALUATIONS REMAIN STRONG

## DEAL COUNT BY ROUND



## MEAN PRE-MONEY BY ROUND



# RECENT M&A TRANSACTIONS

## STRATEGIC ACQUISITIONS

TARGET	BUYER	VALUE (\$M)	REVENUE MULTIPLE	DESCRIPTION
Berkshire Grey	SoftBank	375	5.6x	AI-driven robotics for fulfillment & logistics
Armorblox	Cisco			Natural language-driven email security
Sequans Communications	Renesas	249	4.7x	Cellular semiconductors for IoT
Atlazo	Nordic Semiconductor			Low-power on-device AI semiconductors
Crocus Technology	Allegro Microsystems	420		Magnetic sensors for mobile devices and smart cards
DeepSea	Nabtesco			Shipping vessel monitoring application
Flutura	Accenture			Industrial IoT data analysis for machinery
FogHorn	Intel			Edge intelligence software for industrial IoT
iENSO	Digital Monitoring Products			Sensors and embedded vision systems
Innova Solutions	Dassault			Product engineering services for digital transformation
InstaDeep	BioNTech	724		AI-based decision making system for talent and training
Lightpoint Medical	Telix Pharmaceuticals	35		Molecular imaging and sensing tools for cancer detection
MosaicML	Databricks	1,300		AI software training algorithms to improve the efficiency of neural networks
SCADAfence	Honeywell			Industrial OT / IoT security solutions
Twilio (IoT unit)	KORE Wireless Group	10		IoT communications software, spun out of Twilio

# RECENT VC TRANSACTIONS

## CAPITAL RAISE, SERIES B+

COMPANY		SERIES	DEAL SIZE (\$M)	PRE MONEY (\$M)	Valuation Step-Up	DESCRIPTION
Helm.ai	↑	C	55		2.3x	AI-based driving tech for ADAS/L4
WINT		C	35			AI-based water management to prevent damage from leaks
TechMagic	↑	C	15	70	1.2x	Cooking robots for automation
Traction	↑	B	45	160	13.2x	Machine intelligence industrial monitoring
Proprio	↑	B	41	64	0.8x	Surgical assist technology leveraging AI and 3D imaging
Aspinity	↑	B	11	17	1.1x	Neuromorphic all-analog signal processing
Furiosa		C	62			AI inference co-processors
SensorUp		B	12			Movement intelligence for asset-heavy industries
Speak	↑	B	16	240	2.0x	Language learning application to assist people learning English
Tractable	↑	E	65		4.0x	AI automation platform for image recognition and text understanding
Neuralink	↑	D	280	3,200	1.5x	Implantable brain machine interface to help people with paralysis
Sapland Micro		B	14			MEMS for 4G/5G communications
etherWhere	↑	B	16	20	2.4x	Low-power high-sensitivity GPS chip
CloudMinds Robotics	↑	C	140		3.3x	Cloud robotics ecosystem
NoTraffic	↑	B	55		3.8x	Autonomous traffic congestion management
Gleamer		B	29			Radiology imaging to detect and highlight bone abnormalities
oneNav	↑	C	16	190	2.1x	Mobile positioning for phones, wearables and IoT



**CONNECTED  
VISION  
ADVISORS**

[VISION-CONNECTED.COM](http://VISION-CONNECTED.COM)

**Brent Lorenz**

Founder, Managing Director  
Washington DC

**Paul Werp**

Founder, Managing Director  
London

**Simon Morris**

Executive Advisor  
Ottawa

**Barbara Papas**

Executive Advisor  
Dallas