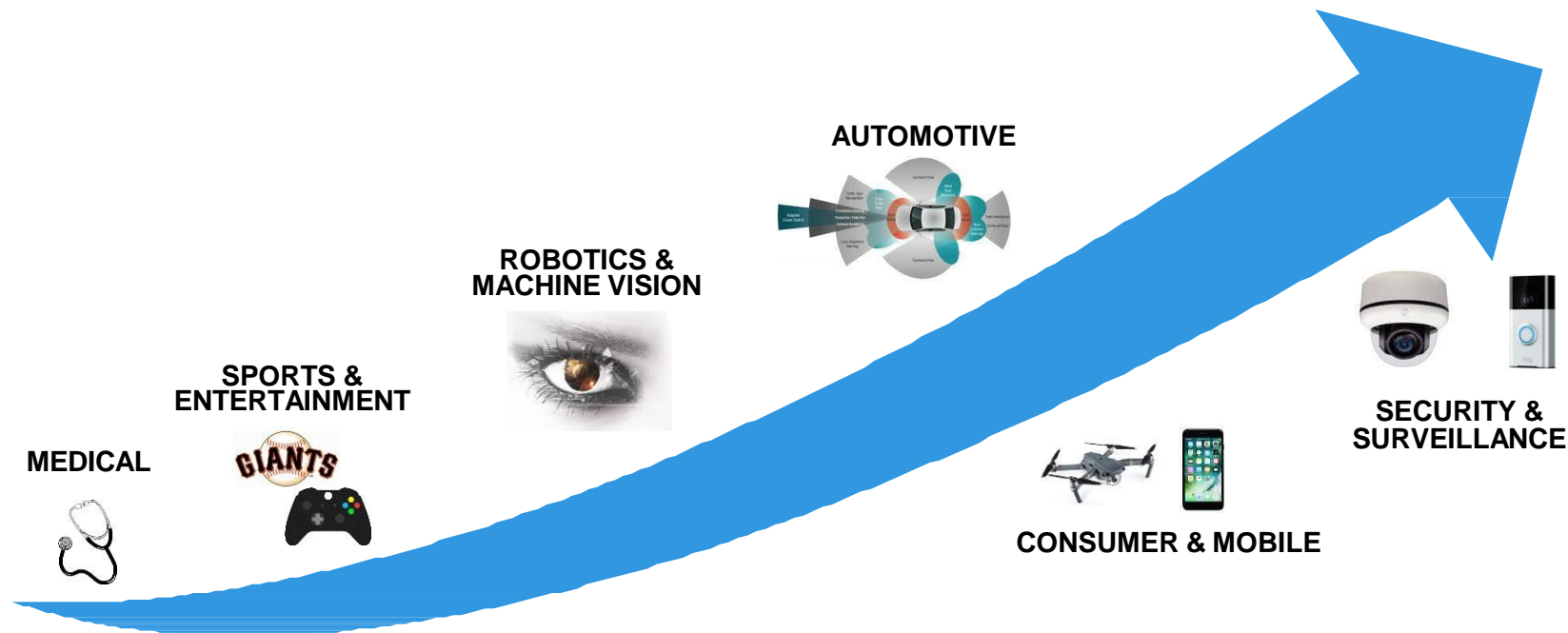


embedded **VISION** SUMMIT 2018

What's Hot? The M&A and Funding Landscape for Embedded Vision Companies

1. How have we segmented the embedded vision market and what are expected to be the highest growth segments?
2. Where are the VC dollars going and who are the most active investors? How does investment into embedded vision companies compare between US and China?
3. Which segments have seen the most M&A activity, what are the most notable recent acquisitions, and who are the most active acquirors?
4. Why are there so few embedded/computer vision unicorns?
5. What are the market trends for embedded vision in consumer markets?
6. What are the market trends for embedded vision in automotive markets?
7. What are the growth opportunities in these markets?

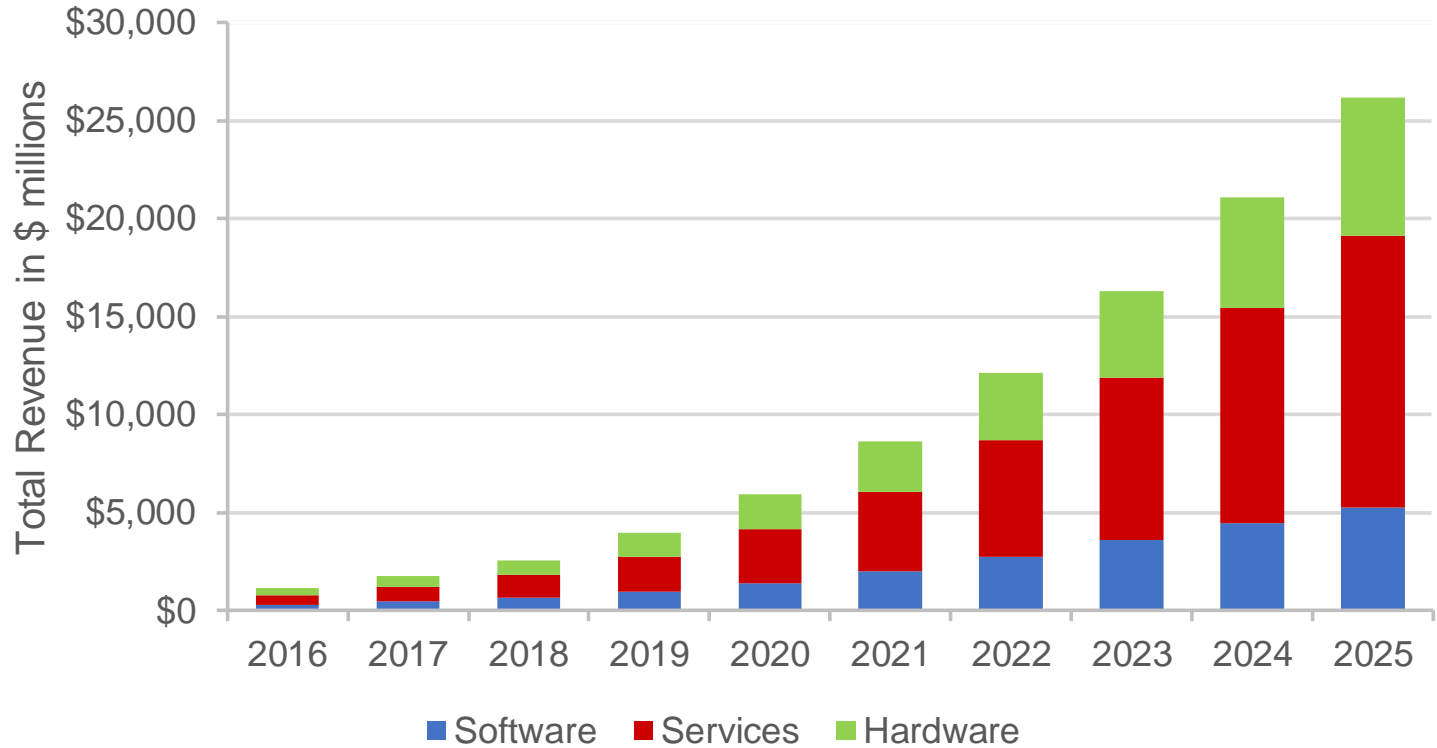
Application Markets for Computer Vision



Over \$1B invested into US Computer Vision Companies over last 3 years

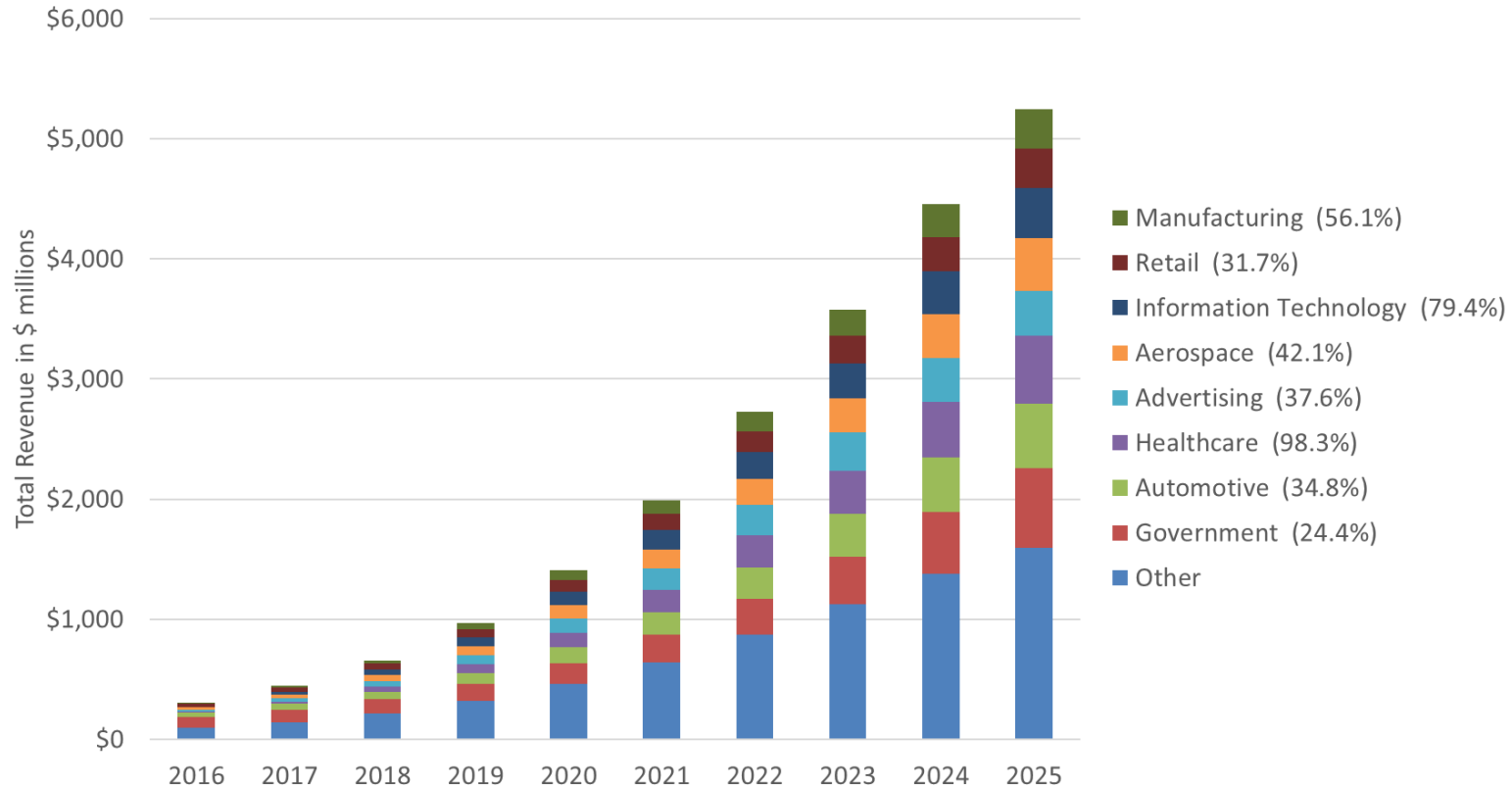
Computer Vision Total Revenue by Segment

World Markets: 2016-2025



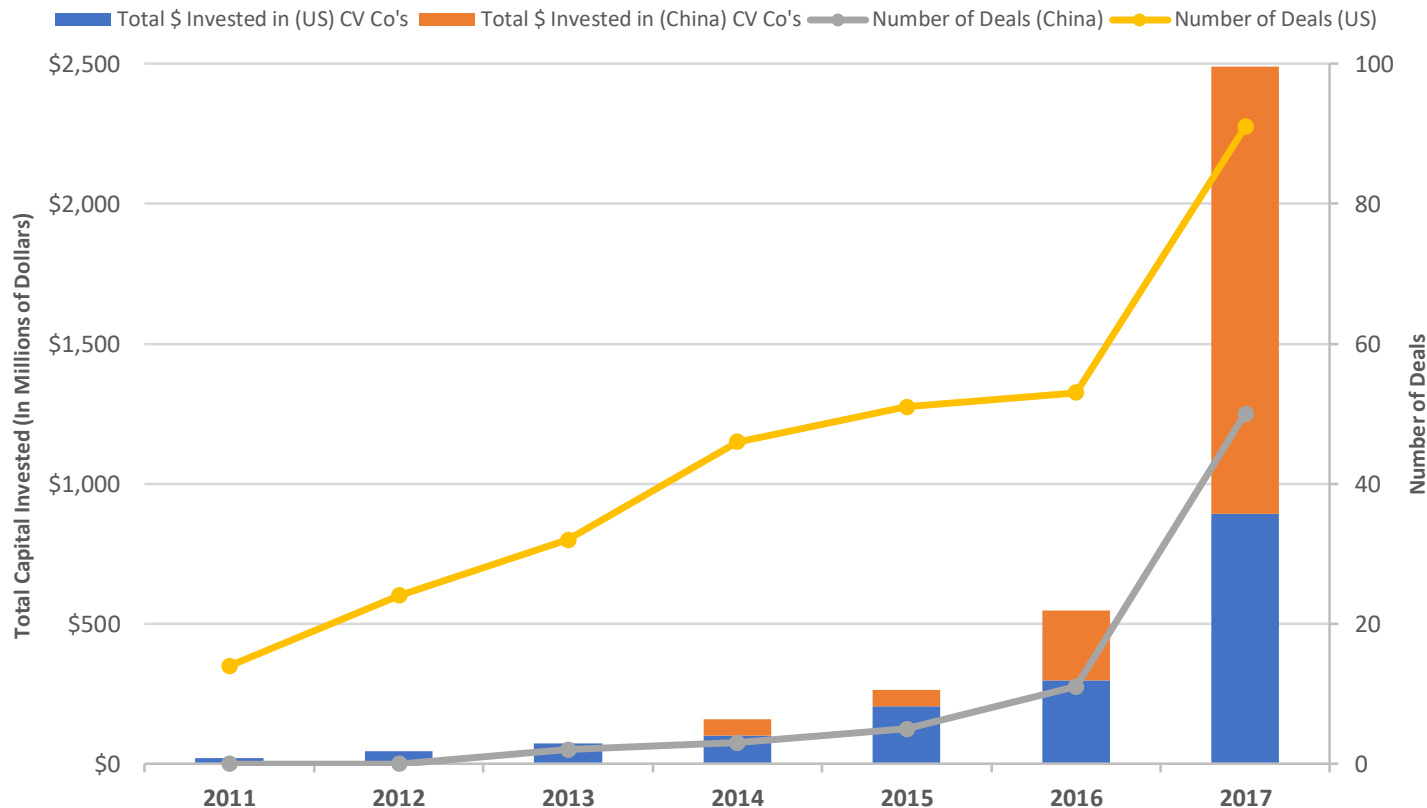
Source: Tractica

Computer Vision Software Revenue by Industry, World Markets: 2016-2025





















Source: Tractica

China vs US Investment in Vision Companies





















Source: Crunchbase

























Most Active Venture Investors

Company	Embedded Vision/Computer Vision Private Placements			
ANDREESSEN HOROWITZ	 January – 2018 \$4.5M	 Skydio February – 2018 \$42.0M		
 GGCAPITAL	 October – 2017 NA	 December – 2017 \$15.4M	 January – 2018 \$5.0M	 March – 2018 \$3.7M
	 October – 2017 \$668.2M	 February – 2018 \$10.8M	 MYTHIC March – 2018 \$40.0M	
	 PILOT.AI ACCELERATED INTELLIGENCE July – 2016 NA	 September – 2017 \$668.2M	 January – 2018 \$3.5M	
SEQUOIA 	 January – 2018 \$25.64M	 April – 2018 \$15.0M		

Most Active Corporate Investors

Company	Embedded Vision/Computer Vision Private Placements		
	 SENSORS ANALYTICS March – 2018 \$17.8M	 March – 2018 \$15.0M	 may mobility February – 2018 \$11.0M
	 March – 2018 \$14.5M	 March – 2018 \$963.0M	 January – 2018 \$25.0M
	 February – 2018 \$19.0M	 February – 2018 \$75.1M	 October – 2017 \$10.0M
	 February – 2018 \$42.0M	 景 驰 科 技 September – 2017 \$542.0M	
	 December – 2017 \$8.0M	 September – 2017 \$11.0M	

Top Public Company Acquirors

Company	Embedded Vision/Computer Vision M&A			
	 October – 2012 \$45.0M	 March – 2013 NA	 July – 2016 NA	 Undecidable! October – 2016 NA
	 November – 2013 \$360.0M	 January – 2016 NA	 January – 2016 NA	 REALFACE February – 2017 NA
	 May – 2005 \$115.0M	 July – 2008 \$3.0M	 August – 2016 \$2.4M	 November – 2016 \$4.7M
	 April – 2012 \$31.0M	 May – 2016 NA	 September – 2016 \$392.1M	 September – 2017 \$15,300.0M
	 January – 2014 NA	 September – 2014 NA	 August – 2017 NA	

Recent Acquisitions

Selected Computer Vision Transactions

Canon

Tokyo, Japan



May – 2018



Modi'in, Israel

NORTEK
SECURITY & CONTROL

Carlsbad, CA



April – 2018



San Jose, CA

amun

Premstaetten, Austria



February – 2018



Martigny, Switzerland



San Diego, CA



February – 2018



Burlingame, CA



NIANTIC
San Francisco, CA



December – 2017
\$50 M



Boston, MA



Cupertino, CA



November - 2017



Menlo Park, CA

amazon

Seattle, WA



Oct - 2017
\$60 M

**BODY
LABS**

New York, NY



Menlo Park, CA



August - 2017



Erfurt, Germany

Recent Acquisitions Cont'd

Selected Computer Vision Transactions



Menlo Park, CA



July - 2017



Beijing, China



April - 2017



Mountain View, CA



Paris, France



March - 2017



Lübeck, Germany



Santa Clara, CA



March - 2017
\$15.3B



Jerusalem



Cupertino, CA



February - 2017



Tel-Aviv, Israel



ALARM.COM®
Tysons, VA



January - 2017
\$7M



ObjectVideo®
Reston, VA



Cupertino, CA



January - 2017

R E G **A I** N D

Paris, France



San Jose, CA



October - 2016
\$30M



corrigan

Tel-Aviv, Israel

Selected Computer Vision Transactions



Santa Clara, CA



September - 2016
\$355M



San Mateo, CA



Santa Clara, CA



May - 2016



Russia



San Francisco, CA



August - 2016
\$150 M



London, England



Venice, CA



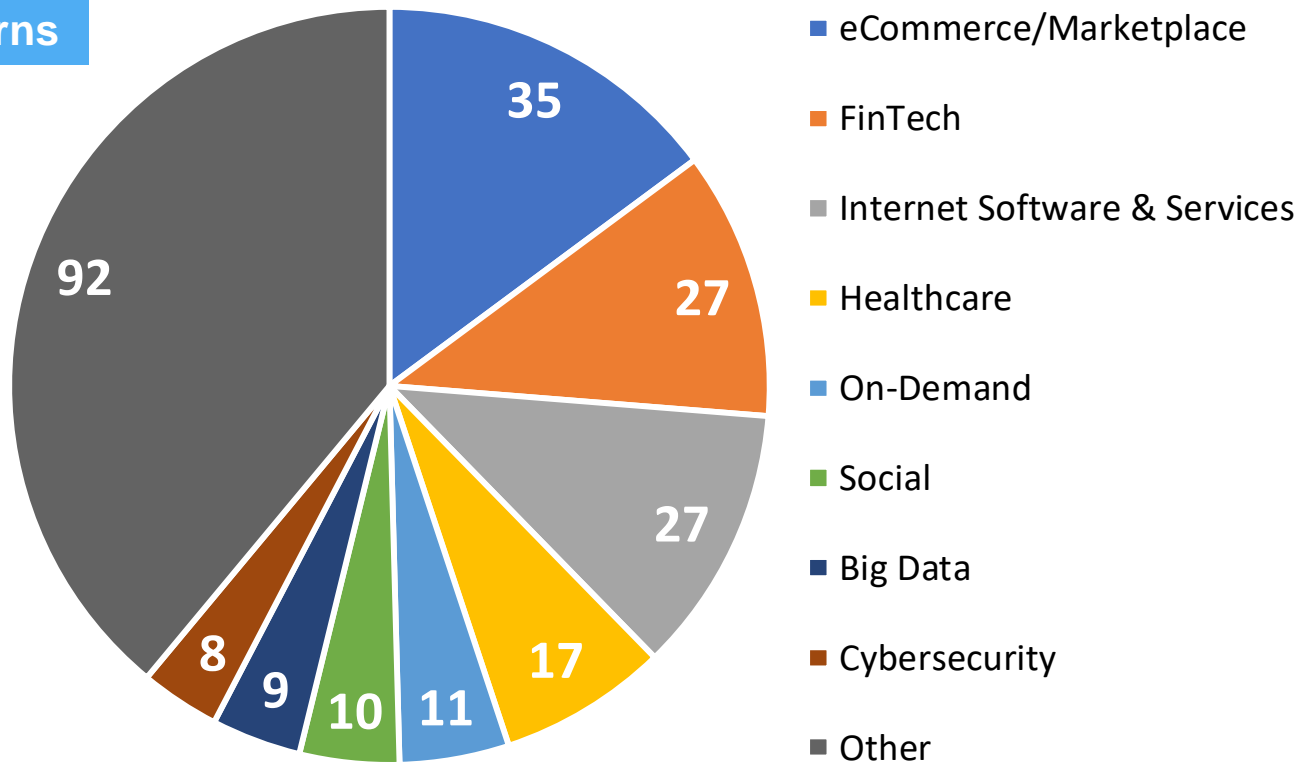
June - 2016
\$47 M



San Francisco, CA

Unicorns By Industry

236 Total Unicorns

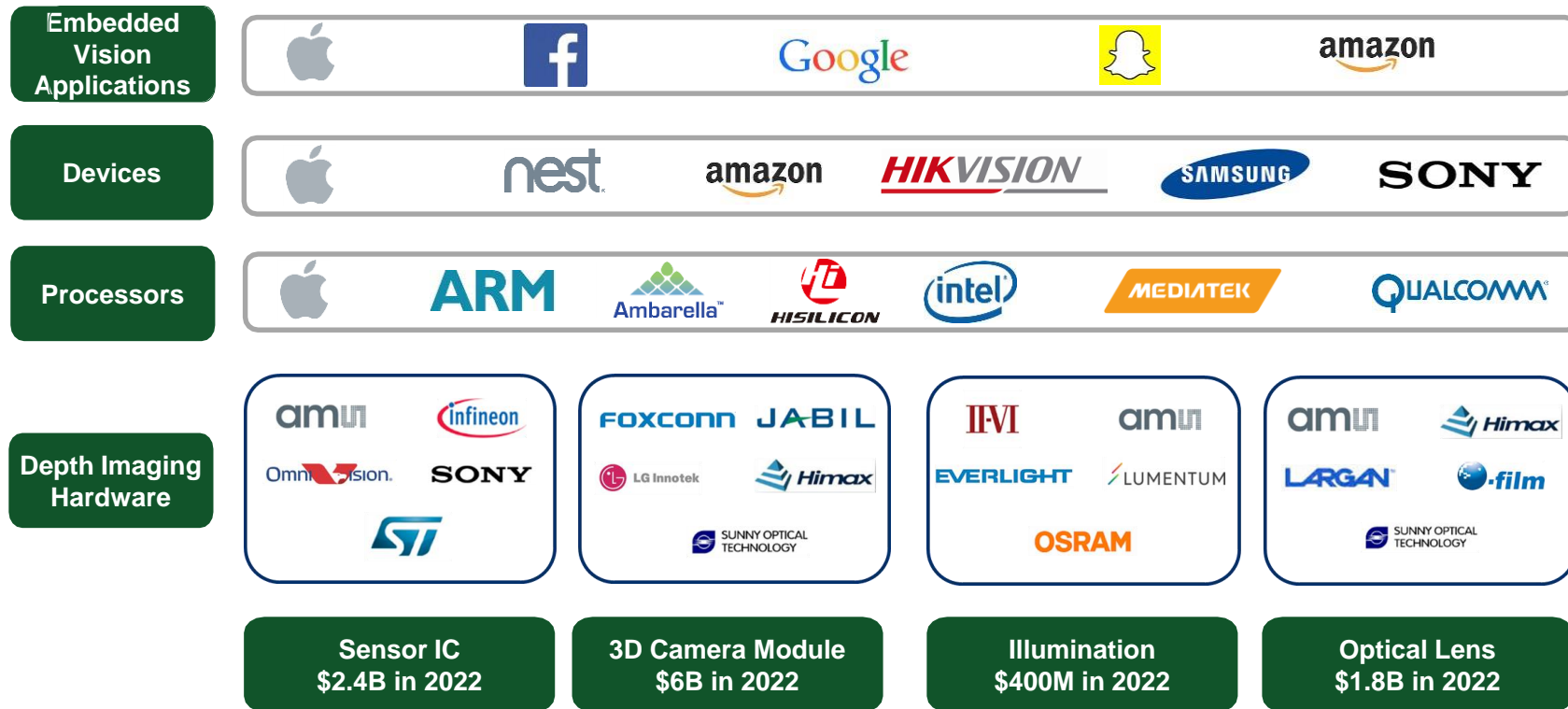


Where are the Embedded Vision Unicorns?

- Only two unicorns are computer vision companies (SenseTime and YITU Technology) – both Chinese
- Vision technology is fragmented across multiple industries
- Vision is increasingly a feature, not a category
- In voice recognition, Nuance grew to dominate the sector through multiple acquisitions
- Many large potential customers for embedded vision companies are trying to develop their own solutions
- Open source

- Embedded vision has arrived in consumer markets (smart phones and home IP cameras)
- 3D front side imaging arrives in smart phones - industry is scrambling to figure out market for world facing (ToF) depth imaging
- Google claims ability to do depth imaging without 3D camera
- Market for facial recognition software already getting crowded (80+ companies). Face analytics (attention, gaze, emotion, identification,...) gaining traction
- Market for home cameras is growing rapidly – intelligence moving to the edge
- Smart speakers now adding eyes to the ears

Mobile / Smart Home – Market Map for Embedded Vision



- Number of cameras per car continues to rise
- Increasing importance of sensor fusion software
- Adoption of fast networks + requirements for sensor fusion may push processing from edge to central processor
- Opportunity for vision technologies to eliminate/reduce need for LiDAR?
- Growth opportunities for both driver monitoring systems (DMS) and outward facing vision systems

1. Vision technology is going horizontal
2. Computer Vision market is expected to be worth over \$25B by 2025
3. Long term, two of the highest growth segments are expected to be logistics and healthcare
4. Most of the acquisitions have been relatively small since Intel acquired Mobileye last year and Movidius in 2016
5. China is investing heavily in machine vision, especially for security and surveillance applications
6. New business opportunities are increasingly about finding novel use cases that can benefit from vision technology

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