

ISRAEL HIGH-TECH & INVESTMENT REPORT

A MONTHLY REPORT COVERING NEWS AND INVESTMENT OPPORTUNITIES

JOSEPH MORGENSTERN, PUBLISHER

September 2020 Vol. XXXV Issue No 9

You are invited to visit us at our website: <http://ishitech.co.il>

CyberSecurity, Medical & AI

Israeli cybersecurity co CyCognito raises \$30m

The company has developed solutions that uncover and prioritize risk from attacker-exposed systems and assets.

Israeli cybersecurity company CyCognito announced that it has completed a \$30 million Series B financing round led by Accel and with participation from previous investors Lightspeed Venture Partners, Sorenson Ventures and UpWest. This brings the company's total funding to \$53 million.

The company, which was founded by CEO Rob Gurzeev and CTO Dima Potekhin, and has offices in Palo Alto and Tel Aviv, has developed solutions that uncover and prioritize risk from attacker-exposed systems and assets.

Gurzeev said, "Attackers seek out externally-exposed systems and assets that are mostly overlooked by organizations and are easy targets and conduits into corporate networks and data centers. Our next level of funding enables us to greatly increase our market reach, educating and serving the needs of companies in closing these dangerous gaps and gaining an edge on attackers."

SQream signs \$20m deal with tier-1 mobile operator

The Israeli big data analytics company says it enables operators to provide better quality of

service with lower downtime and reduced network costs, and improved personalized service offerings.

Israeli big data analytics company SQream announced that it has signed a multi-year, multi-million dollar contract with a tier-1

<http://ishitech.co.il>

In this issue

- Israeli cybersecurity co CyCognito raises \$30m
- SQream signs \$20m deal with tier-1 mobile operator
- Medical holography co RealView Imaging raises \$10m
- Glaucoma treatment co Belkin Laser raises \$12.25m
 - CIM invests \$40m in Israeli solar panel cleaning co Ecoppia
- Millennium Food-Tech raises NIS 26m in TASE IPO
- Blockchain protection co Valid Network raises \$8m
- AI predictive quality and yield co Seebo raises \$9m
 - Teva spin-off 89bio raises \$84m in Nasdaq secondary offering
- Israeli AI eye tracking co NovaSight raises \$8m
- Elbit integrates drone into unmanned sea vessel
- Elbit Systems awarded Swedish tactical radio deal
- IVC-ZAG: Israeli tech cos raising more in 2020, despite Covid-19
- Israeli AI precision oncology co Nucleai raises \$6.5m
- Founders Group reports large profit from Vroom IPO
 - Israeli SaaS cloud co OwnBackup raises \$50m

mobile operator. A source close to the deal told "Globes" that it could be worth more than \$20 million over the next five years. SQream already has major agreements in the telecom sector with Orange, LG UPlus, AIS, Cellcom and others. SQream says it enables operators to provide better quality of service with lower downtime and reduced network costs, and improved personalized service offerings. SQream CRO Adi Gelvan said, "Mobile operators face intense competition, and are constantly seeking ways to provide subscribers with better quality of service, more personalized offerings and improved customer service. With the emerging challenges facing operators due to the huge volumes of data from 5G and IoT, being able to rapidly access and analyze their massive data enables superior decision making to better compete and drive their business forward."

SQream was founded in 2010 by CEO Ami Gal and CTO Raz Shoshani. The company has 80 employees at its headquarters in New York, R&D center in Tel Aviv and other offices in London, France and South Korea.

Last month SQream raised \$39.4 million in a Series B+ financing round led by Mangrove Capital Partners and Schusterman Family Investments, who joined existing investors, including Hanaco Venture Capital, Sistema.vc, World Trade Center Ventures, Blumberg Capital, Silvertch Ventures and Alibaba Group. Alibaba had led the company's previous financing round in 2018 when it raised \$26.4 million.

SQream says it has an estimated 30 million mobile subscribers and a growing base of 5G subscribers, the operator's data is increasing at an exponential pace.

Medical holography co RealView Imaging raises \$10m

The Holoscope is designed to enable physicians to view and directly interact with hyper-realistic 3D holograms of the patient's actual anatomy.

Israeli medical holography RealView Imaging announced the completion of its \$10 million series C financing round. New investors include OurCrowd, Judith and Kobi Richter, while existing shareholders have also participated in this round, including Dr. Shimon Eckhouse, Zohar Gilon and Uzia Galil. Dr. Kobi Richter, Founder and Chairman of Medinol, and Prof. Michael Eldar, former Director of the Cardiology Institute at Sheba Medical Center, joined the company's Board of Directors as part of this round.

RealView Imaging is pioneering the field of Holography Guided Interventions with the Holoscope - a system that creates true 3D volumetric holograms from medical imaging data.

The Holoscope is designed to enable physicians to view and directly interact with hyper-realistic 3D holograms of the patient's actual anatomy, which float in free space at hands reach during interventional procedures. The system's 3D interactive visualization tools empower imaging-based minimally-invasive medical interventions, which is one of the most rapidly growing fields in medicine.

Israel High-Tech & Investment Report

Published monthly since January 1985

Publisher and Editor in Chief

Joseph Morgenstern, B.A. Chem.

Technology Review Board

Prof. S.J. Joel-Cohen, MD, FRCS, FRCOG (1996-2002)

Prof. Hylton Miller, M.B. Ch.B.

Copy Chief

Debbie Mor

Web Master

Marty vonBokel

Graphics Consultant

Daniel Morgenstern

Subscription Inquiries

E-mail: hitr_1@netvision.net.il

Annual subscription: \$95.- per year, for 12 issues,

Israeli residents add 17% VAT

Web Edition and Archives

<http://ishitech.co.il>

The company was founded by Aviad Kaufman, Shaul Gelman and Prof. Carmel Rotschild, with a seed investment led by chairman Dr. Shimon Eckhouse.

Dr. Eckhouse said, "We are now focused on the commercialization of the HOLOSCOPE™-i system, initially in North America and in Europe. By incorporating medical holography into routine clinical workflow, we expect to revolutionize the way clinicians engage with 3D medical imaging."

Dr. Kobi Richter added: "RealView has created a unique solution that will address fundamental usability requirements and a wide range of clinical needs for advanced imaging. Given the company's broad IP portfolio and technology maturity, I believe RealView can significantly impact the growing field of structural heart interventions, as well as additional future clinical fields such as electrophysiology and interventional oncology procedures. All these fields strongly rely on advanced 3D imaging technologies that will guide the physician accurately and clearly in his intervention in patient's spaces that are not visible to his eyes."

Glaucoma treatment co Belkin Laser raises \$12.25m

Belkin CEO: The good news is that fast, easy and effective glaucoma treatment is one step closer for millions of patients.

Israeli one-second non-invasive glaucoma laser treatment company Belkin Laser has announced the completion of a \$12.25 million Series B financing round led by CR-CP Life Science Fund and with the participation of Rimongi Capital, Santen Ventures, BioLight Life Sciences and C-Mer Eye Care Holdings.

Prior to this round Belkin had raised \$6.6 million, which includes the Israel Innovation Authority (IIA) incubator grant at the Rad

Biomed Accelerator, as well as a European Horizon 2020 grant of \$3 million and \$2.5 million in its Series A financing round led by ZIG Ventures from Singapore.

The new funds will support continued worldwide commercialization and upcoming clinical trials of the Direct Selective Laser Trabeculoplasty (DSLT), the optimum first-line glaucoma treatment designed to offer a simple, user-friendly and patient-friendly laser treatment that can be utilized in any clinic and hospital as an initial treatment for glaucoma, even prior to the use of eye drops. The DSLT procedure, a non-contact laser technology and a potential game changer, would do the equivalent of an SLT (conventional glaucoma laser) in one second, overcoming the problem of low compliance with eye drop treatment.

Belkin Laser CEO Daria Lemann-Blumenthal said, "These investments signal to us that the industry has trust in our technology, which will impact the lives of millions of glaucoma patients by opening a new viable drop-less treatment option. The good news is that fast, easy and effective glaucoma treatment is one step closer for millions of patients."

Prof. Michael Belkin, founder and medical director of Belkin Laser, is an internationally renowned scientist and entrepreneur, whose previous Israel based glaucoma company, Optonol, was sold to Alcon in 2010 for \$200 million.

CIM invests \$40m in Israeli solar panel cleaning co Ecoppia

The Israeli company's autonomous robotic solutions are designed to keep solar panels at year-round peak performance.

Israeli robotic cleaning solutions for photovoltaic solar panels company Ecoppia announced a \$40 million strategic investment by CIM Group today.

CIM is now the largest investor in Herzliya-based Ecoppia, whose fully autonomous robotic solutions are deployed globally in utility-scale sites. The company says that they have been field-proven to keep solar panels at a year-round peak performance, while minimizing costs.

CIM is a US-based real assets owner, operator, lender, and developer with more than \$60 billion in infrastructure and real estate projects to its name.

Despite the challenges of the ongoing Covid-19 pandemic, Ecoppia has secured over 10GW of new projects over the last three quarters, maintaining a CAGR of over 200% in the past six years.

Ecoppia CEO Jean Scemama said, "This latest investment by CIM Group is a vote of confidence from one of the most prominent and sophisticated US investors. This capital infusion will allow Ecoppia to continue its geographic expansion, as more and more regions realize the benefits of shifting to robotic cleaning. It will also enable us to accelerate our innovative developments towards fully data-driven, automation-based solar O&M."

"Following an extensive market analysis and due diligence, which CIM undertakes in its proven investment process, we recognized Ecoppia as the leading robotic player in the solar industry," said Jennifer Gandin, Principal, Investments of CIM Group. "We believe that Ecoppia will continue to pioneer the automation of the solar industry with its experience and data analysis capabilities."

Millennium Food-Tech raises NIS 26m in TASE IPO

The company, which becomes the first R&D partnership on the market, saw its share offering more than 100% oversubscribed.

Millennium Food-Tech (formerly NextFood), the first R&D Partnership on the TASE, has completed its IPO with more than 100% oversubscription. Millennium Food-Tech raised NIS 26 million, with overall orders for about NIS 41 million for NIS 20 million worth of shares on sale to the public. The offering was managed by Leumi Partners Underwriters.

The tranches in the tender were offered to the public at a minimum price of NIS 1,000 and set in the tender at the price of NIS 1,050. The mix of investors included strategic and institutional investors as well as individual investors from the public.

Leumi Partners Underwriters CEO Eliav Bar David said, "The successful offering of the Millennium Food-Tech Partnership paves the way for a wave of new offerings. This is the first budding of investor partnerships in R&D companies that is expected to blossom on the TASE over the next year. The large demand indicates a hunger by institutional and private investors for exposure to new investments with high-growth potential. In my opinion, this is only the start of this trend."

Millennium Food-Tech CEO Hanan Schneider said, "Despite this challenging period, the offering and the demand demonstrate that the Israeli public believes that food-tech is a sector of the future, and that the change in consumption habits by the public is near. I am delighted that institutional bodies also took part in the offering, despite its size. The mix of investors included strategic investors, institutional bodies and individual investors from the public. I believe that through Israeli food-tech we will bring about a positive change in consumption by the public at large that will also benefit the shareholders."

Millennium Food-Tech will be the first R&D partnership to be traded on the Israeli stock market, following an amendment to the TASE regulations in February last year, which

allowed offerings by limited partnerships engaged in R&D.

Millennium Food-Tech CEO Chanan Schneider who serves as CEO previously founded and managed the Food-Tech incubator in Kiryat Shmona. Guy Rosen serves as Chairman. He is Vice Chairman of Tnuva.

The partnership's first portfolio company is SavorEat, which develops technology for producing plant-based alternative meat using 3D printing. The partnership will invest \$1.75 million with an option to increase the investment and it will lead a \$3.75 million investment in the company at a company value of \$7 million.

Blockchain protection co Valid Network raises \$8m

The Israeli company's solution is protocol-agnostic and ensures compliance while dynamically detecting and preventing breaches and attacks.

Israeli blockchain protection company Valid Network has announced that it has raised an \$8 million seed round led by Ten Eleven Ventures and with the participation of Jerusalem Venture Partners (JVP). As part of the round, Ten Eleven Ventures cofounder and general partner Mark Hatfield joins the company's board.

Based in Beersheva, and founded by CEO Kfir Nissan and CTO Gilad Eisenberger, Valid Network enables companies to adopt and automatically protect blockchain technology. The company's solution is protocol-agnostic and ensures compliance while dynamically detecting and preventing breaches and attacks. The company will use the funding for continued R&D and expanding its engineering and research teams in Israel, while opening an office in New York City to scale business development and partnerships in the US.

Nissan said, "We built Valid Network on the vision that blockchain-based technologies will open a whole new world of possibilities for businesses globally, unleashing new efficiencies and ways of working. Valid Network will enable safer and faster adoption of these revolutionary technologies for the benefit of organizations and consumers worldwide."

Hatfield said, "Blockchain-based technologies are enabling a new wave of efficiency and innovation for enterprises, however securing these solutions has been an afterthought to date. Kfir, Gilad, and the Valid Network team have built a comprehensive solution to address the unique challenges and needs of these new business critical apps. The company's next phase of growth will focus on building and scaling a global organization that can help accelerate the use of decentralized applications securely and effectively."

AI predictive quality and yield co Seebo raises \$9m

The Israeli company's customers include industry leaders like Nestle, Barilla, Mondelez, ICL and PepsiCo.

Israeli AI predictive quality and yield developer Seebo announced the completion of a \$9 million financing round led by Ofek Ventures, and with the participation of Vertex Ventures, and existing investors Viola Ventures and TPY Capital. This brings to \$31 million, the amount raised by the Tel Aviv-based company since it was founded by CEO Lior Akavia and COO Liran Akavia.

Seebo says it will use the funding to expand its global marketing and enhance its Process-Based Artificial Intelligence (AI) solution. Seebo's solution enables manufacturers to predict and prevent production losses and master complex production processes, saving customers significant money each year.

Seebo's funding comes amid growing demand for the company's solution, as manufacturers seek new ways to prevent losses and optimize their processes. Current Seebo customers include industry leaders like Nestle, Barilla, Mondelez, ICL and PepsiCo.

Lior Akavia said, "Manufacturers today realize that in order to prevent losses and continuously master complex production processes, they need a technological solution that truly understands the unique complexity of their production lines, and is both easy for production teams to use and scalable across various manufacturing lines."

He added, "The coronavirus pandemic has spurred a search for more efficient, effective ways to identify and prevent process inefficiencies overall - which lies at the heart of what Seebo does. Data-driven decision-making is critical in our new reality, as manufacturers must adapt quickly and implement changes effectively. Those manufacturers who meet this challenge today will gain a competitive edge in tomorrow's marketplace."

Teva spin-off 89bio raises \$84m in Nasdaq secondary offering

89bio's lead product candidate, BIO89-100 for the treatment of nonalcoholic steatohepatitis (NASH) is in a Phase IIa trial.

Clinical-stage biopharmaceutical company 89bio (Nasdaq: ETNB) has raised \$83.8 million in a secondary offering on Nasdaq. The company, which is focused on the development and commercialization of innovative therapies for the treatment of liver and cardio-metabolic diseases, announced the closing of its upsized underwritten public offering of 3,047,040 shares of common stock.

The offering included the exercise in full by the underwriters of their option to purchase up to 397,440 additional shares of common stock, at a public offering price of \$27.50 per share.

89bio held its IPO last November when it raised \$85 million at a company valuation of \$193 million. The company's share price fell 1.46% yesterday on Nasdaq to \$31.75, giving a market cap of \$438.3 million, more than double its market cap at its IPO.

89bio is in effect a spin-off of Teva Pharmaceutical Industries Ltd. (NYSE: TEVA; TASE: TEVA). Teva inherited what is now 89bio's lead product candidate, BIO89-100 for the treatment of nonalcoholic steatohepatitis (NASH) - a severe form of nonalcoholic fatty liver disease - in one of its acquisitions. Even though the product was not part of Teva's core focus on neurology, oncology and women's health, the Israeli pharmaceutical company was reluctant to relinquish the drug and it continued allocating funds for its development.

However, when Teva became mired in cash flow difficulties following the debt it took to buy Actavis in 2015, it decided to spin it off into a separate company and retain certain rights. 89bio has already paid Teva \$6 million and is committed to paying up to a further \$135 million and royalties, if the product reaches the market and is commercially successful.

BIO89-100 is currently in a proof of concept Phase 1b/2a clinical trial and the funds from the public offering will be used to accelerate trials. 89bio is headquartered in San Francisco with its development center in Herzliya.

Israeli AI eye tracking co NovaSight raises \$8m

The funds will be used to advance research for the company's lazy eye treatment device and eye care products such as innovative eye tracking based active glasses for myopia control.

Israeli vision care solutions based on AI and eye tracking technology NovaSight announced

that it has raised \$8 million in a Series A financing round led by Rimonci Capital. This brings to \$16 million the amount raised by the company.

The funds will be used to advance research in a large multi-center randomized pivotal study that will support FDA 510(k) clearance for its lazy eye treatment device and for the development of future eye care products such as innovative eye tracking based active glasses for myopia control.

NovaSight CEO Ran Yam said, "Our focus is on the hundreds of millions of children who suffer from vision disorders and if left undiagnosed and untreated can lead to significant eye health problems in adulthood. During Covid-19 when alternative healthcare diagnosis and treatment methods are required, we're putting emphasis on continuing to develop telehealth solutions. Our products are ideally positioned for remote diagnostics and home treatment."

Elbit integrates drone into unmanned sea vessel

Trials conducted recently have integrated a mini-Unmanned Aerial System (UAS) onboard the Seagull USV, further enhancing its intelligence gathering capabilities.

Israeli defense electronics company Elbit Systems Ltd. (Nasdaq: ESLT; TASE: ESLT) is extending the operational capabilities of the Seagull Unmanned Surface Vessel (USV) beyond Anti-Submarine Warfare (ASW) and Mines Countermeasure (MCM). Trials conducted recently have integrated a mini-Unmanned Aerial System (UAS) onboard the Seagull USV, further enhancing its intelligence gathering capabilities.

The shipborne mini-UAS is capable of point water recovery and a takeoff weight of up to 15 kilograms. The visual feed generated by the

mini-UAS can be transmitted to the land based control unit of the Seagull USV and to the Combat Management System of additional vessels.

While the Seagull USV is a specially designed multi-role vessel for underwater warfare, the USV's switchable payload suite includes electronic warfare and electro-optic/infra-red payloads to provide situational awareness and facilitate intelligence gathering. The integration of a tactical UAS onboard the USV further expands its capacity to generate intelligence enabling to utilize the USV for enhancing the situational awareness of any maritime force and for shore exploration.

The Seagull USV has been deployed in several exercises that were conducted with NATO maritime forces in the last few years, including in an MCM exercise alongside the HMS Ocean of the UK Royal Navy, and an ASW exercise that was conducted together with the Victoria and the HMS Duncan frigates of the Spanish Navy and the UK Royal Navy.

Elbit Systems awarded Swedish tactical radio deal

The Israeli defense electronics company will supply more than 1,000 E-LynX Software Defined Radio (SDR) systems to the Swedish Army in a follow-on order.

Israeli defense electronics company Elbit Systems Ltd. (Nasdaq: ESLT; TASE: ESLT) will supply more than 1,000 E-LynX Software Defined Radio (SDR) systems to the Swedish Army. This is a follow-on order, which expands Elbit's involvement in Sweden's tactical radio upgrade program.

Elbit Systems began supplying SDR network solutions to the Swedish Army in 2018 and there have been several deliveries since. The latest delivery, which will be carried out through Elbit Systems' subsidiary in Germany, will include the E-LynX handheld and vehicular configurations.

The E-LynX radio systems facilitate advanced networking solutions in both open field and in urban areas. The E-LynX family of radio systems is designed with an open architecture approach, features unique waveforms and enables the adoption of a range of additional European and NATO waveforms.

The installment base of the E-LynX SDR systems has been growing on an ongoing basis. Elbit Systems is the provider of current and future land SDR systems of the Israeli Defense Forces and was selected to supply E-Lynx systems to additional modern armed forces.

Elbit Systems EVP and general manager C4I & Cyber Haim Delmar said, "We appreciate the confidence placed in our E-LynX solution by the Swedish Defence Material Administration (FMV) and the Swedish Armed Forces. We are proud to be in a position to support the Swedish military as it enhances its networked capabilities."

IVC-ZAG: Israeli tech cos raising more in 2020, despite Covid-19

Israeli high-tech companies raised \$2.5 billion in the second quarter of 2020, up from \$2.32 billion in the second quarter of 2019.

In the second quarter of 2020, Israeli high-tech companies raised \$2.5 billion in 170 deals, up 33% in number of deals from the second quarter of 2019 and up from \$2.35 billion in the corresponding quarter of last year, IVC-ZAG reports. Despite the Covid-19 crisis, in the first six months of 2020, Israeli tech companies raised \$5.25 billion in 312 deals, up from \$3.9 billion in the first half of 2019. This leaves Israeli tech companies well on course to beat last year's record fund raising of \$8.3 billion.

ZAG-S&W (Zysman, Aharoni, Gayer & Co.) founding partner and head of the high-tech department Adv. Shmulik Zysman said, "After

everything drew to a complete halt in March, it seemed that the total capital raising in the second quarter of 2020 would be significantly lower than the amounts we had become accustomed to in recent years; even the optimists among us were pleasantly surprised. To illustrate, despite the medical and economic virus, total second-quarter capital raising was one of the highest ever, and total investments in seed companies, which is the root of Israeli high-tech, rose dramatically in relation to the previous quarter."

He added, "The strength of the Israeli high-tech industry is proving itself again. For example, total foreign capital invested in Israeli companies is lower than in recent quarters, but still significantly higher than the average of recent years. Compared to foreign funds, Israeli venture capitalists appear to have identified opportunities and invested above the average in recent years. As a veteran law firm that has seen all the crises of the past decades up close, we believe the second quarter results point to the strength of the high-tech industry, which will form the basis of the economy's growth in the post-Corona time. But being hopelessly optimistic borders on irresponsibility; the data nevertheless indicate a decrease in total capital raising relative to the first quarter, a phenomenon that can certainly be repeated in the third and fourth quarters of 2020. Even if this is not a complete stop, it is certainly a kind of slowdown."

IVC Research Center research director Marianna Shapira said, "As the year under the threat of Covid-19 develops, Israeli high-tech has endured both ups and downs in capital raising. The second quarter of 2020 delivered a certain relief, following the downfall of February-March figures. Israeli growth stage companies have a strong support from the global community of investors, even though the company valuations are driven down due to the weakened economies globally. Israeli tech has experienced a strong first half-year in

fund raising, however, the second half of the year might yet demonstrate a notable slowdown in financial activity and capital raising efforts of Israeli high-tech companies in general, and especially in early round financing, as observed in the first quarter of 2020.”

Venture capital funding

Capital raised in VC-backed deals in the second quarter reached \$1.96 billion - 79% of the total dollar volume. The number of venture capital-backed deals was 96 - 57% of transactions in the quarter, in line with quarterly averages of past years. The impact of the coronavirus led to a substantial decrease in deal making throughout March of this year, when only 17 venture capital-backed deals were recorded, but solid numbers in the second quarter compensated for that.

Capital raising by rounds

Early rounds (Seed + A) in the second quarter of 2020 totaled 90 deals, up 36% from the preceding quarter. Later rounds (D and Later) continued to lead capital raising, with 62 deals in the first half of 2020, raising \$2.43 billion.

Capital raising by deal size

The number of deals with lower amounts was of particular interest, following the decrease in investments in early rounds during the first quarter of 2020. In the second quarter of 2020, investment activity was strong in lower than \$5 million and higher than \$30 million ranges, so the data for the first half of 2020 was in the higher ranges of historical deal activity.

The first half of 2020 saw 149 deals with amounts less than \$5m, nearly 61% of the deals in this range for all of 2019.

At the high end of deal amounts, 48 deals were made in the first half of 2020 with investment amounts higher than \$30m, totaling \$3.43 billion, surpassing the amount in this deal range for all of 2018. Of these deals, 22 over \$50m each took place in the first half of 2020.

Israeli AI precision oncology co Nucleai raises \$6.5m

The Tel Aviv-based company analyzes datasets of tissue images using computer vision and machine learning to model the spatial characteristics of the tumor and the patient's immune system.

Israeli artificial intelligence-powered precision oncology platform for research and treatment decisions Nucleai announced the closing of a \$6.5 million Series A financing round led by Swiss-based biopharmaceutical company Debiopharm.

Nucleai's technology analyzes large and unique datasets of tissue images using computer vision and machine learning methods to model the spatial characteristics of both the tumor and the patient's immune system, creating unique signatures that are predictive of patient response.

The company will use the funds to further develop its advanced platform for use in Immuno-oncology and other diseases, and to expand its commercial reach to pharmaceutical and biotech companies.

Founded in Israel, a growing hotspot for computational biology innovation, Nucleai was founded by former members of an elite technological unit of Israeli intelligence corps specializing in artificial intelligence and big data: CEO Avi Veidman, COO Eliron Amir, and VP R&D Lotan Chorev. Its Tel Aviv hub positions the startup to leverage a wealth of valuable resources including a centralized medical system, 25 years of EMR data, and top AI talents.

Veidman said, "Nucleai has multiple revenue-generating, commercial partnerships, with leading Immunotherapies pharma companies and US-based payers. We plan to use these funds to expand our offering to additional

indications and diseases as well as to increase our commercial footprint substantially."

"Our team is thrilled to embark on this adventure to develop and further understand the extent to which AI can help pathologists and oncologists become more precise in both diagnosis and prediction," explained Tanja Dowe, CEO of Debiopharm Innovation Fund. "We recognize the huge impact that Nucleai's AI-powered platform, could have on clinical research for pharmaceutical treatments."

Veidman added, "The battle between the tumor and the immune cells is clearly visible by inspecting the pathology slide, just like a satellite image of a battlefield. Our AI platform analyzes the hundreds of thousands of cells in a slide, examines the interplay between the tumor and the immune system and matches the right patient to the right drug based on these characteristics".

Amir said, "Our solution is purely based on software which is embedded into the biomarker researcher workflow. This allows us to scale our solution rapidly, to provide service to a large number of pharmaceutical and biotech partners as well as to patients. It is an elegant solution to a complex problem. There is no need for an expensive wet-lab biology operation. Our cloud-based solution allows us to gather huge amounts of immuno-oncology data from different sources, creating complex insights that a single pharma or institute cannot generate by itself."

Founders Group reports large profit from Vroom IPO

The Israeli angels invested several million dollars in the Series B round of the US used car sales platform. Vroom is now worth \$6.3 billion.

Israel angel investors Founders Group has reaped the rewards of a successful investment

in online used car sales platform developer Vroom. The US company whose founders include Israelis Allon Bloch and Elie Wurtman held an IPO on Nasdaq last month at a company valuation of \$2.5 billion. Since then Vroom's market cap has more than doubled to \$6.3 billion.

Following the offering, the Group has recorded a major profit 'on paper.' Founders Group, like all the other investors, will only be allowed to sell their shares and realize the large profit on their investment, after Vroom has been trading for six months.

Founders Group was established by Omri Lavie, Shalev Hulio (both NSO founders) and Isaac Zack, angel investors with a track record of entrepreneurship in a range of areas, invested in Vroom shortly after the Group was founded. The investment, amounting to just several million dollars, was made as part of Vroom's Series B financing round, in which the company raised \$54 million.

Founders Group founding partner Omri Lavie said, "Even though nobody could have predicted the coronavirus pandemic, Vroom's founders were smart enough to create a platform that pushed a traditional sector into the future by identifying a trend before it happened. Now the value of the company speaks for itself. The coronavirus era has changed the way that people do business and many markets have switched, following the crisis, to operating online, including the used car market, which is especially popular in the US."

Founders Group supports and invests in early stage ventures from seed and early stage rounds in the following sectors: cybersecurity, fintech, enterprise software, e-commerce, Internet of Things (IoT), and security. The Group's portfolio currently comprises 30 companies - six of which have been sold while another two held IPOs.

The portfolio companies that were sold included cybersecurity startups Kaymera and Cyot, software companies Moovex and Ondigo, and fintech company Rumble.

Founders Group adds value to its portfolio companies by using the strong global network that it has built. The partners act both as investors and advisors. Founders Group has offices in Tel Aviv, New York and Sydney, which provide portfolio companies with international support and access to business partners overseas, in order to help them realize their potential.

Israeli SaaS cloud co OwnBackup raises \$50m

OwnBackup's vision is to provide one place where executives can backup, protect, and analyze their mission-critical and increasingly complex SaaS data.

Israeli cloud-to-cloud business continuity platform OwnBackup announced the completion of a \$50 million financing round led by Insight Partners, and with participation from Salesforce Ventures, Vertex Ventures and previous investor Innovation Endeavors. This brings the company's total funding to over \$100 million.

The latest funding will be used to accelerate product development and expand marketing to achieve OwnBackup's vision to provide one place where executives can backup, protect, and analyze their mission-critical and increasingly complex software-as-a-service (SaaS) data.

The company was founded in 2015 by CEO Sam Gutmann, CTO Ariel Berkman, EVP sales Ori Yankelev, and Eran Cohen, who no longer

has an active position with the company. OwnBackup is headquartered in New Jersey with its development offices in Tel Aviv and London. The company has 230 employees, 70 of whom are in Israel.

Gutmann said, "This oversubscribed round signifies investors' recognition of our early dominance in a huge addressable market. In today's uncertain climate, more CIOs and CEOs realize the importance of building greater resiliency into their business. We're committed to keeping their operations running around the clock with enterprise-grade, set-it-and-forget-it monitoring and recovery - both during the COVID-19 pandemic and over the long term."



Please enroll me as a subscriber to the Israel High-Tech & Investment Report.

I understand that if not satisfied, I may cancel my subscription at any time and receive a refund of the unexpired portion. I enclose a check for \$95 (or the Israeli shekel equivalent and 18% v.a.t.) and am sending it to POB 33633, Tel-Aviv 61336.

I am providing you with my name, title, mailing address, e-mail and telephone.