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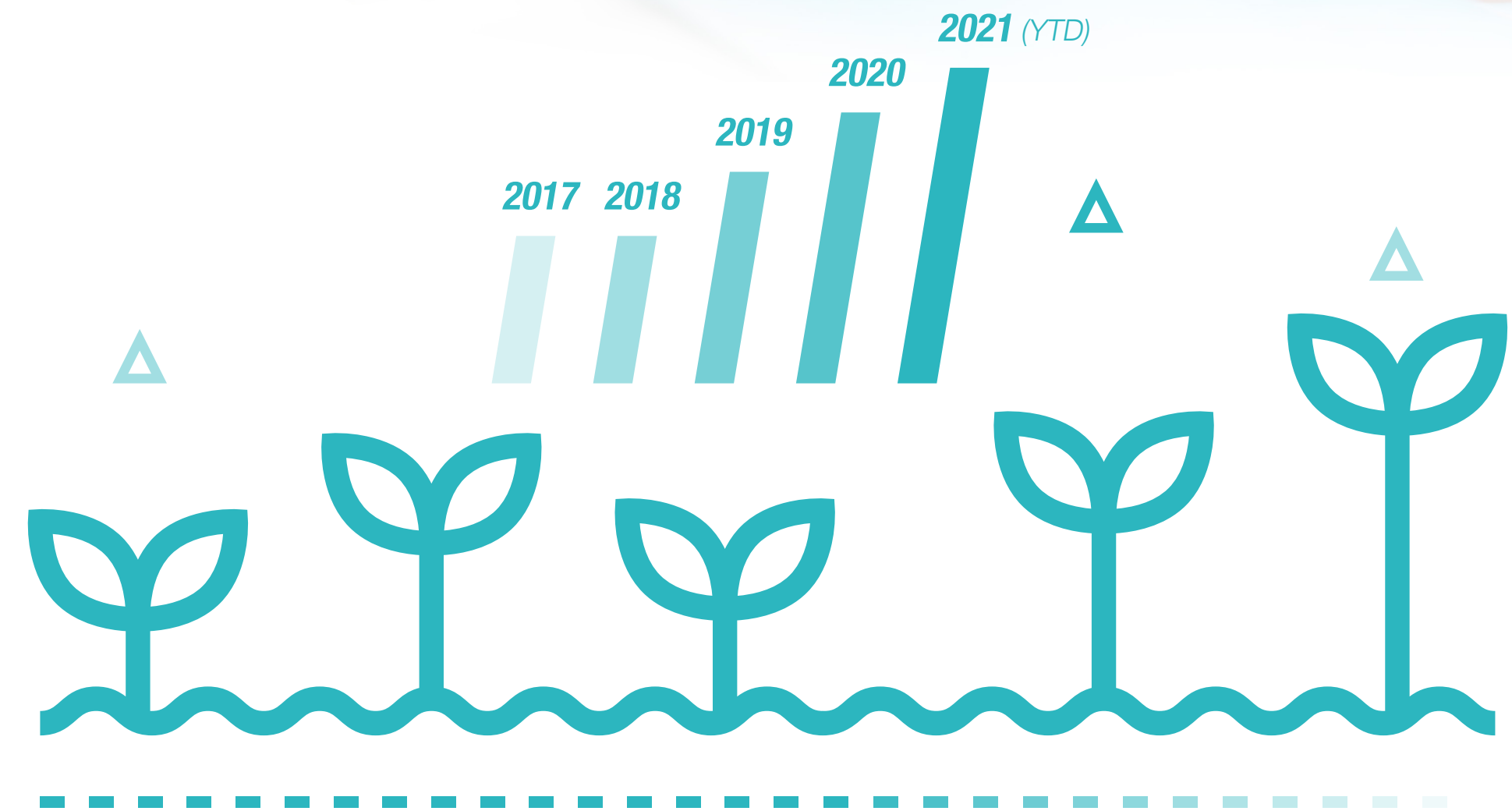


AGRIFOOD-TECH & WATERTECH Q3 UPDATE



Israeli AgriFood-Tech & WaterTech Sectors Conclude Record-Breaking Q3

- 1 2021 is the new record year for capital investments in the AgriFood-Tech & WaterTech sectors, already exceeding FY/2020 amount after only three quarters.
- 2 Q3/2021 saw the largest investment total ever recorded in a single quarter in the Israeli AgriFood-Tech & WaterTech sectors.
- 3 Alternative food sources – and alternative proteins specifically – continue to lead the sector's funding charts highlighted by the record-breaking \$105M investment in Aleph Farms.
- 4 Blue White Robotics' \$37M Round B is raising the bar for AgriTech companies within the sector.





Total AgriFood-Tech and WaterTech funding in Q3/2021 has more than doubled compared to Q3/2020 and Q3/2019. At the end of Q3/2021, YTD total funding has already surpassed FY/2020 investment totals.



The increase in funding within the sector – both in Q3 and throughout the year – can be explained by several factors:

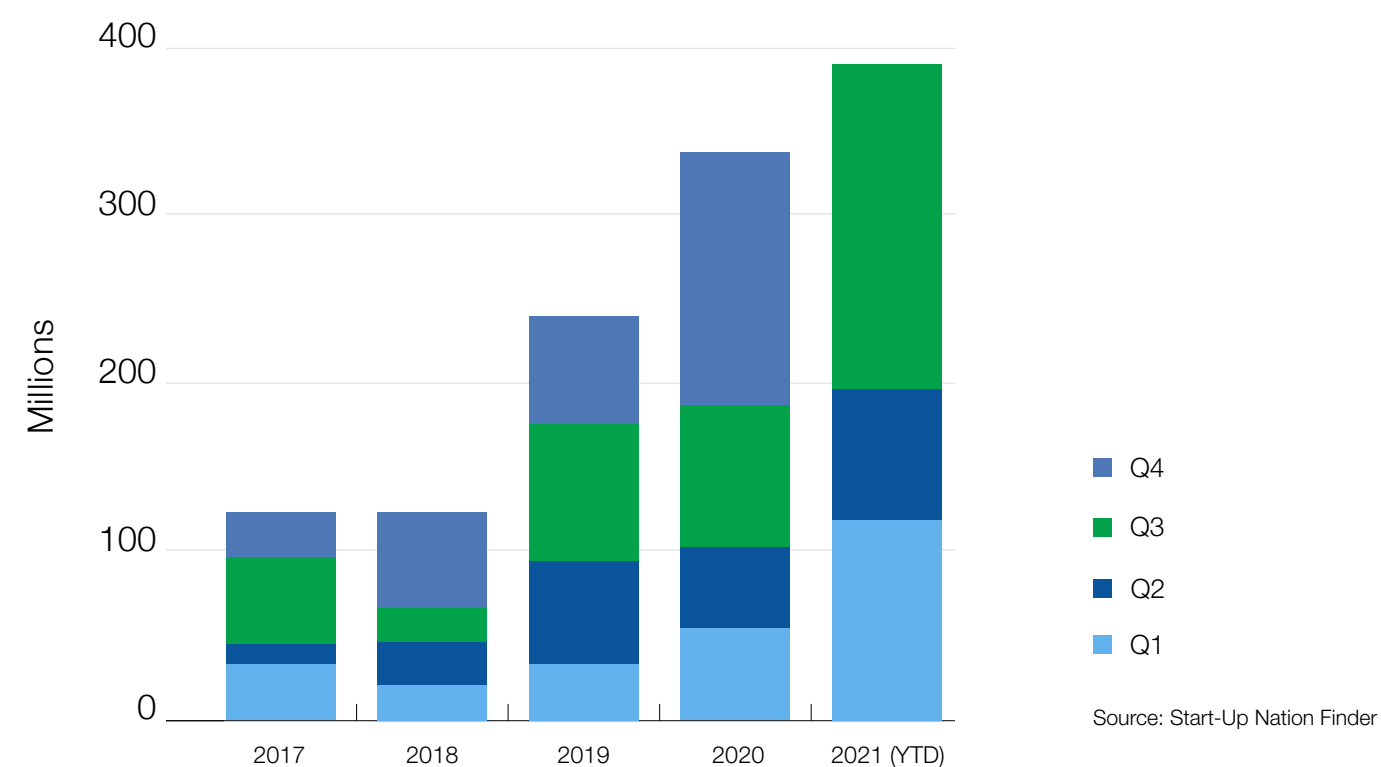
- The overall inflow of funding to the Israeli startup ecosystem
- Rising awareness of the need for change in global food supply chains and farming practices in the face of the global climate change crisis
- Global supply chains and food security concerns brought to light by the COVID-19 pandemic
- The rise in commodity prices and the shifting supply & demand balance

Subsector performance

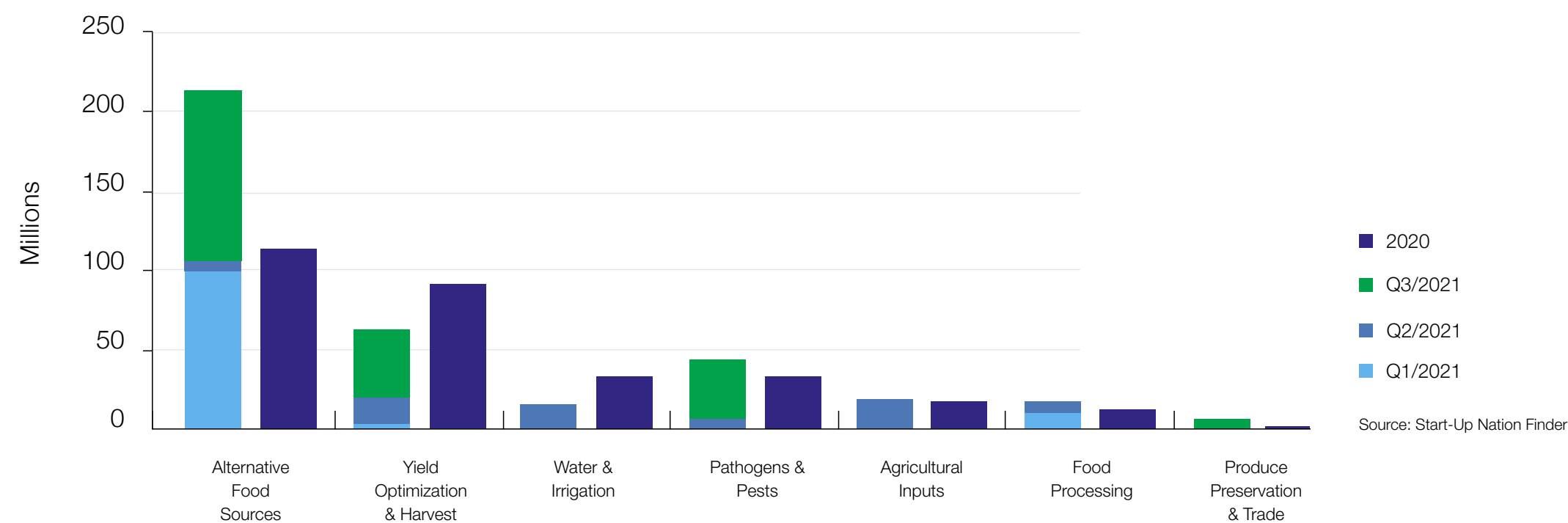


At the end of Q3/2021, investment in most subsectors had already exceeded FY/2020 investment. Prominent subsectors with significant growth in Q3 include Alternative Food Sources, Yield Optimization & Harvest, and Pathogens & Pests. Alternative Protein companies, within the Alternative Food Sources subsector, have continued to be a main target for investors within the whole sector.

Total AgriFood-Tech & WaterTech funding by quarter



Subsector investments by quarters 2021 (YTD) VS. 2020 full year





Number of rounds

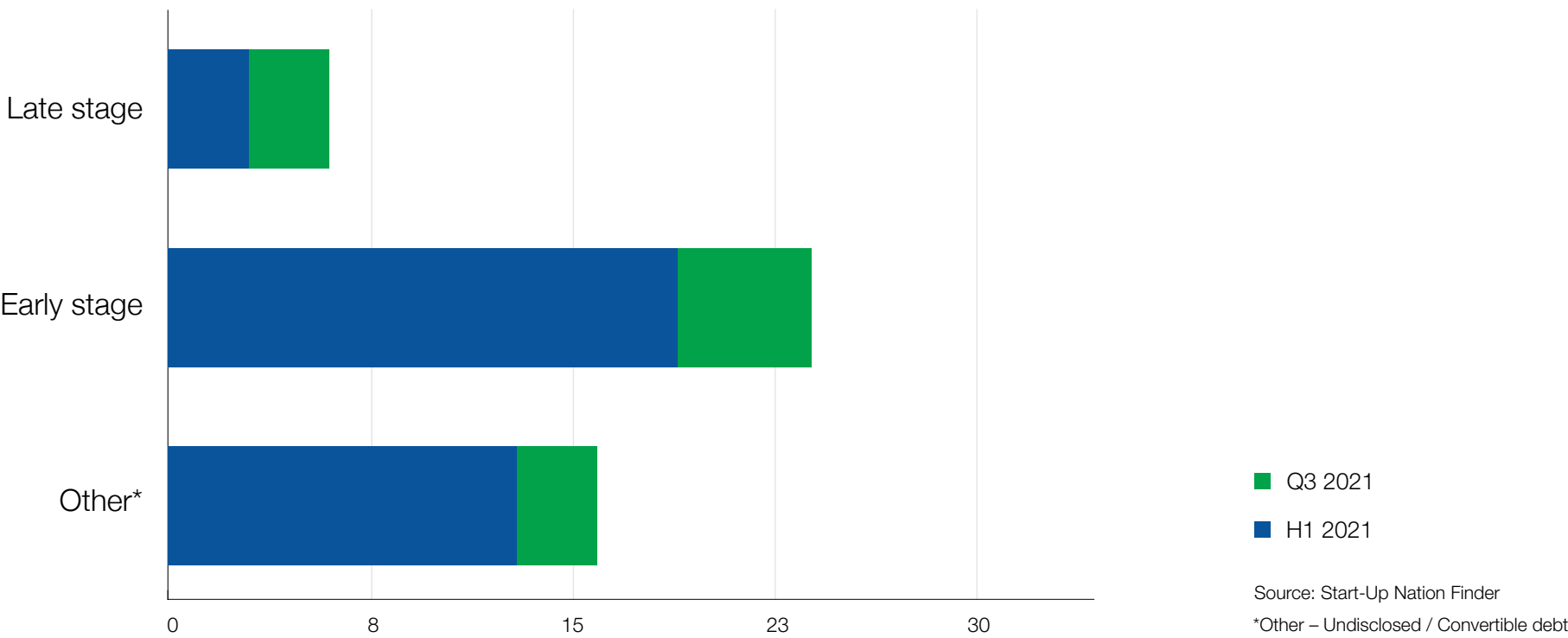


Later-stage investments in Q3 are showing higher growth compared to H1/2021. Additional investments in the past quarter doubled the total number of later-stage investment rounds in 2021 YTD.

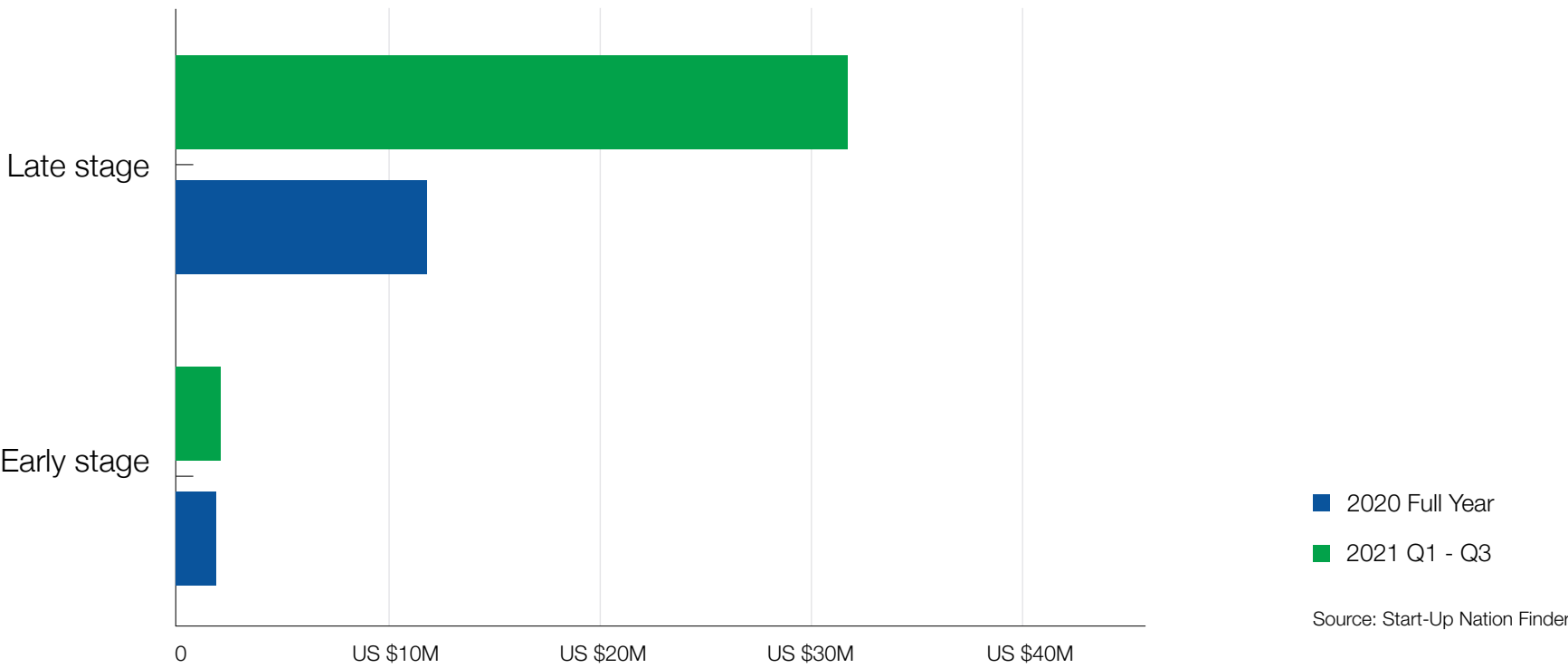


Median round size, particularly in later-stage rounds, is showing a significant growth trend in 2021, with median round size increasing by a factor of 2.5. The strong growth is mainly attributed to record-breaking investment rounds in both the Agriculture and Food sectors during Q3.

Number of funding rounds by stage



Median funding round by stage





Record-breaking investments

In Q3/2021 we have seen record-breaking investment rounds in both the Agriculture and Food sectors. In July, [Aleph Farms](#) raised a staggering \$105M, surpassing all previous investments in these sectors and strengthening the dominance of Alternative Proteins as the leading subsector within the FoodTech sector. Additionally, during September, two AgTech companies raised substantial amounts. [FieldIn](#), a successful smart-farming company, announced the completion of a

\$30M Round B at the beginning of the month. [Blue White Robotics](#), a developer of autonomous farming machinery, announced a \$37M Round B, breaking the record for the largest round ever raised by an Israeli AgTech company. The (relatively) high investment in the startup was likely encouraged by the exit of US-based Bear Flags Robotics, acquired in August 2021 by John Deere for \$250M (added to John Deere's past acquisition of Blue River Technology for \$305M in 2017).

Largest rounds in Q3/2021



Company	Amount, \$M	Subsector	Description	Funding Stage
Aleph Farms	\$105M	Alternative Food Sources	Cultivated whole-cut steak	B
Blue White Robotics	\$37M	Yield Optimization & Harvest	Robot-as-a-service Platform for Autonomous Systems	B
FieldIn	\$30M	Pathogens & Pests	Farm Management Platform	B
AgroScout	\$7.5M	Pathogens & Pests	Crop Monitoring for Early Detection	A
MetoMotion	\$5M	Yield Optimization & Harvest	Robotic System for Greenhouses	Undisclosed

Source: Start-Up Nation Finder

Q3 Newcomer



During Q3, a Migal spin-off AgriTech company, [Ripe-Guard](#), which is developing a technology platform for predicting the shelf-life of fruit and vegetables, announced a \$930K seed round.



Exits in Q3/2021

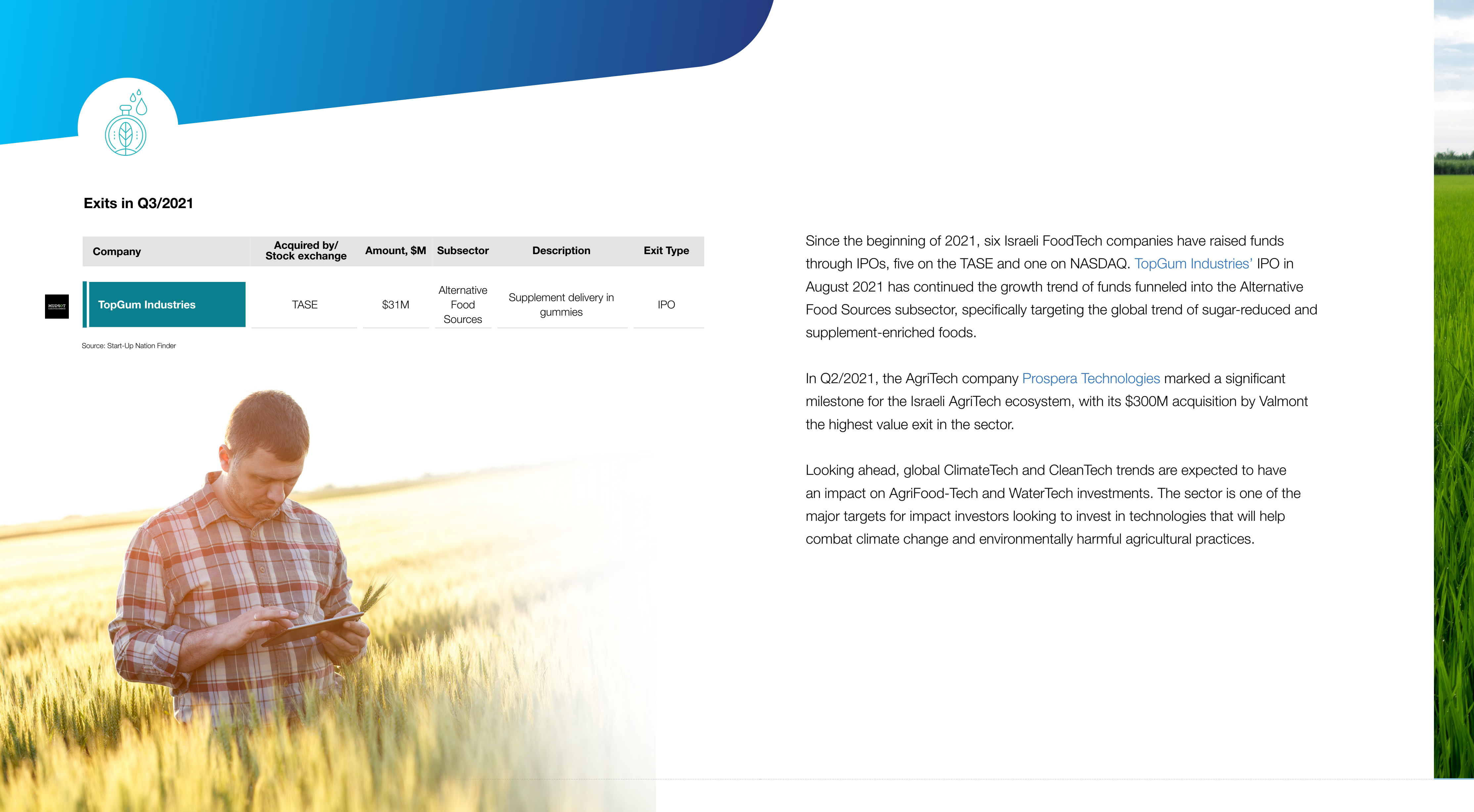
Company	Acquired by/ Stock exchange	Amount, \$M	Subsector	Description	Exit Type
 TopGum Industries	TASE	\$31M	Alternative Food Sources	Supplement delivery in gummies	IPO

Source: Start-Up Nation Finder

Since the beginning of 2021, six Israeli FoodTech companies have raised funds through IPOs, five on the TASE and one on NASDAQ. [TopGum Industries](#)’ IPO in August 2021 has continued the growth trend of funds funneled into the Alternative Food Sources subsector, specifically targeting the global trend of sugar-reduced and supplement-enriched foods.

In Q2/2021, the AgriTech company [Prospera Technologies](#) marked a significant milestone for the Israeli AgriTech ecosystem, with its \$300M acquisition by Valmont the highest value exit in the sector.

Looking ahead, global ClimateTech and CleanTech trends are expected to have an impact on AgriFood-Tech and WaterTech investments. The sector is one of the major targets for impact investors looking to invest in technologies that will help combat climate change and environmentally harmful agricultural practices.





Start-Up Nation Central is the address for corporations, governments and investors to connect with the Israeli tech ecosystem. We catalyze growth opportunities by bringing Israeli tech innovation to global business and societal challenges. Established in 2013 and headquartered in Tel Aviv, Israel, Start-Up Nation Central is a not-for-profit organization funded by philanthropy.

Start-Up Nation Finder is a free online platform for identifying and engaging Israeli tech organizations based on customers' specific interests. This Business Innovation Platform is a comprehensive knowledge hub on Israeli startups, investors, acceleration hubs, multinational corporations, and technology-based innovation associated with academic research. The open-source platform provides up-to-date information and insights into thousands of active Israeli tech companies.

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