



TELEGRAPH HILL
— ADVISORS —

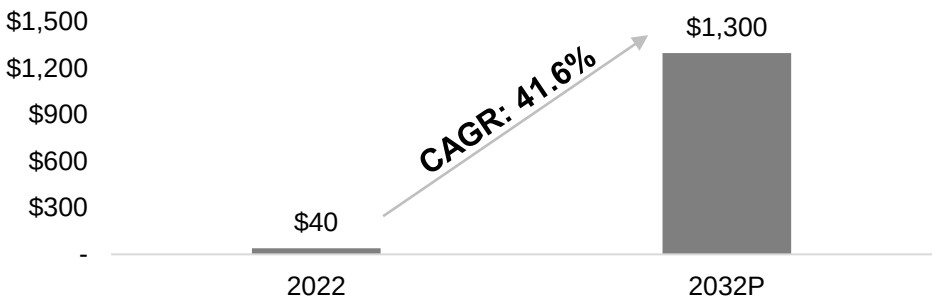
Generative AI: M&A and Private Capital Market Trends

October 1, 2023

Generative AI Industry Overview

Generative AI technology has reached an important inflection point in terms of adoption, but the market is still in its infancy, and we expect significant new company creation over the next several years as entrepreneurs develop applications that take advantage of the foundational model ecosystem. The Generative AI market is projected to grow to \$1.3 trillion by 2032 from \$40 billion in 2022, representing a CAGR of 42%.

Exhibit 1: Generative AI Market Size (\$ Billion)



For the purposes of this report, we define Generative AI as technology that enables users to quickly generate new content based on a variety of inputs—inputs and outputs to these models can include text, images, sounds, animation, 3D models, or other types of data—while traditional AI systems are primarily used to analyze data and make predictions.

We are seeing an unprecedented number of companies coming to market that are applying the Generative AI moniker to their businesses much like the so-called Internet companies in the late 90s. In fact, more than 25% of all venture financings over the past 60 days had the term AI in their business description in some form—most of them GenAI related. Generative AI related technologies will eventually be adopted by virtually all major industries in the same way that Internet related tech has become pervasive within every aspect of our economy, and we expect that the vast majority of new company creation will come from the application of GenAI to specific industry challenges. The areas where we see Generative AI gaining the earliest adoption include:

- **Drug discovery:** Generative models trained on small molecule and protein data provide tools to virtually generate drug candidates with defined properties. Applying GenAI + NLP to the biomedical domain where there is a disproportionate amount of unstructured data.
- **Enterprise search:** Enabling enterprises to develop question-and-answer search engines for internal and customer-facing use cases based off enterprise content.
- **CRM:** Natural language interactions for customer engagement and customer service use cases, helping to respond to complex queries and driving customer satisfaction.
- **Education:** Creating customized learning materials and assessments for students, helping to improve learning outcomes.
- **Data Analytics and Business Intelligence:** Automating the analysis of large data sets. Rapidly processing and interpreting vast amounts of data, enabling data analysts and organizations to gain valuable insights in a shorter timeframe.
- **Legal:** Automating key legal research tasks by leveraging artificial intelligence and machine learning technologies to analyze litigation and other legal-related documents effectively.
- **Supply chain:** Logistics assurance that identifies and visualizes patterns from real-time events, such as geopolitical, day-to-day business operations, financial markets, regional conflict, and acts of nature.
- **Content Generation:** Creating a wide range of content, from text to images, videos, and music. This can be particularly useful for entertainment, marketing and advertising sectors where there is a constant need for new and engaging content.
- **Software Development:** Automated code generation. Generating code snippets or even entire programs, helping to speed up the software development process.
- **Others:** Fraud and cybersecurity in Financial Services; automated vehicles and robotics in Transportation and Manufacturing sectors; network management in Communications; personalization in E-commerce and Marketing.



Other GenAI Market Observations

- Increased Investment in Industry Specific GenAI Applications:** As the Generative AI industry continues to mature, we expect less investment in foundational models given how time-consuming and expensive they are to build and the head start that leaders in the space already have.
- Cost Reductions Support a More Robust Ecosystem:** Decreasing foundational model costs driven by hardware/software advancements, and cloud-based AI will facilitate greater AI adoption and broaden the application of GenAI to more industries and use cases.
- Open-Source Models Driving Innovation:** Open-source models have the potential to democratize the deployment of AI and drive substantial new company creation as innovators deploy AI technologies in unique ways to address specific industry needs.
- Retrieval-Augmented Generation Promotes Enterprise Adoption:** The ability to take a foundational model and fine-tune it using a corporation's own data, while maintaining that none of the data is used to train the original model—is likely to drive more rapid enterprise adoption of GenAI tools
- Trust and Transparency:** Trust and transparency are also set to be two important elements driving the next wave of AI innovation and will be critical for widespread enterprise adoption.

GenAI Innovations to watch out for in the next 2-5 years

- Causal AI:** Identifies cause-and-effect relationships for improved autonomous action prescription in AI systems
- AI TRiSM (Trust, Risk, Security Management):** Ensures AI model governance, trustworthiness, fairness, reliability, robustness, efficacy and data protection.
- Neurosymbolic AI:** Combines ML methods and symbolic systems to create more robust and trustworthy AI models for enhanced problem-solving in business.
- NextGen Foundation models:** Large-parameter models trained on a broad gamut of datasets in a self-supervised manner.
- Frontier Model:** Launched by an industry body comprised of Microsoft, Anthropic, Google, and OpenAI to promote safe and responsible development of AI systems.

Exhibit 2: Generative AI: Largest Amounts Raised to Date

Raised to Date (\$ million)	Company	Valuation (\$ million)
\$11,310	 OpenAI	\$29,000
\$5,254	ANTHROPIC	-
\$693	Generate:Biomedicines	\$2,000
\$603	scale	-
\$445	Builder.ai®	-
\$440	 cohere	\$2,952
\$434	absci.	\$1,446
\$426	 Insilico Medicine	-
\$415	ADEPT	-
\$400	dialpad 	\$4,500



GenAI Venture Financing Trends

The Generative AI sector continues to attract growth capital despite the significant decline in financings for emerging growth technology companies thus far this year. GenAI financing trends of note in 2023:

Big VC Bets on Early-Stage Companies: Venture firms have made substantial investments in early-stage companies that possess strong AI talent, founder pedigree, competitive LLM performance metrics, and high aspirations for creating market-dominant solutions. Examples include:

- Mistral AI founded by Google and Meta alum raised \$113.0 million in a seed round led by Lightspeed Venture Partners.
- Cohere (\$440 million raised), Adept.ai (\$415 million raised), Character.ai (\$193 million raised), and Inceptivo (\$120 million raised) which were all founded by the original authors of the paper “Attention is all you need” which pioneered the transformer, the ML technique underlying LLMs.

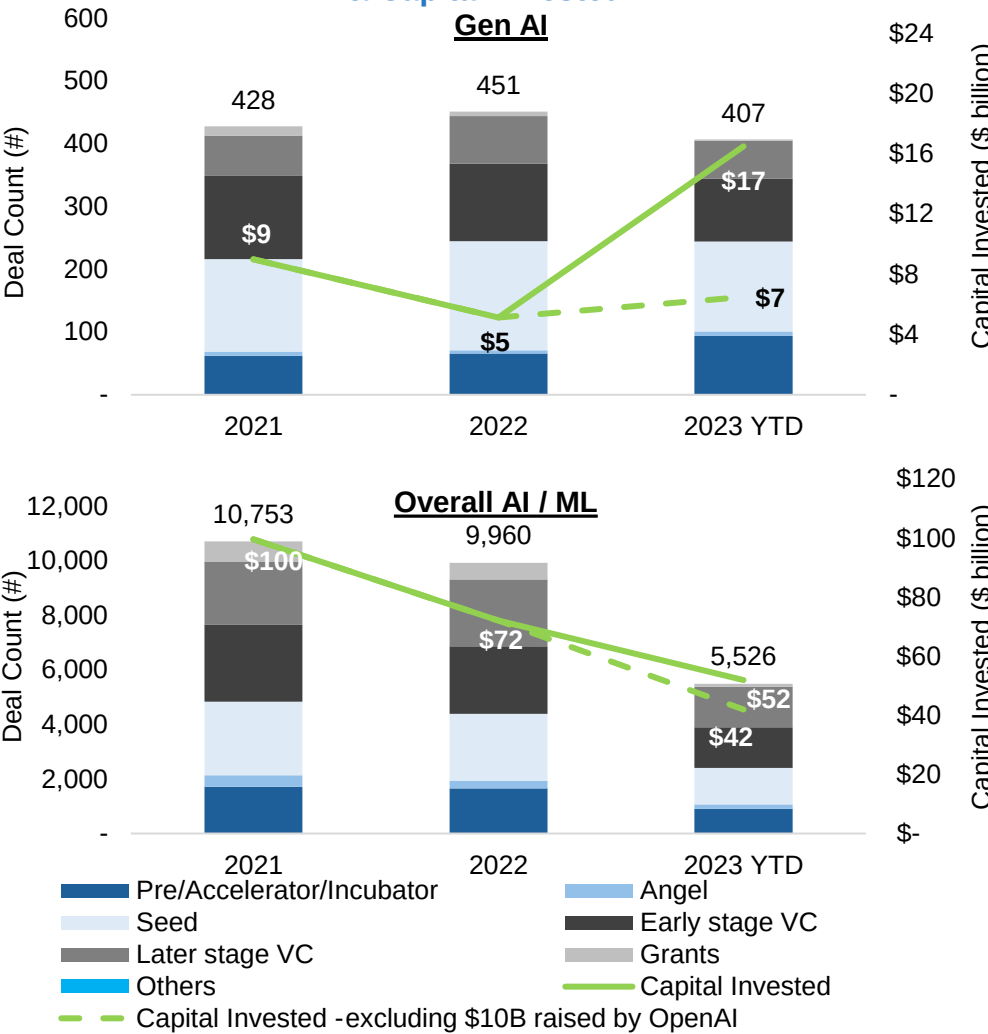
Strategic Investor Activity and Hyperscaler Investments Driving Valuations: Strategic investors have been unusually active in the space, with the biggest tech firms looking to protect their turf and ensure they have a seat at the table as both the technology and the markets for GenAI rapidly evolve. Hyperscalers, in particular, are investing heavily in Generative AI startups. These providers have made significant acquisitions and are entering into partnerships to safeguard their valuable business models. Examples include:

- Microsoft’s cumulative \$13 billion investment in OpenAI
- Amazon’s \$4 billion investment in Anthropic
- Hugging Face’s \$235M Series D at a \$4.5 billion post-money valuation led by Salesforce Ventures, with participation from a group of competing big tech firms including Google, Amazon, NVIDIA, Intel, AMD, Qualcomm and IBM.
- Alphabet’s VC investments in Anthropic and Cohere

Increased Infrastructure Investment: The need for more robust infrastructure in terms of chip processing power and data center/cloud computing centers to support compute-heavy GenAI businesses is driving substantial new investment.

- Inflection closed one of the largest early-stage deals for an AI horizontal platform company, raising \$1.3 billion primarily to build a computing cluster for personalized AI foundation models.

Exhibit 3: Gen AI vs Overall AI/ML Venture Financing Deal Count & Capital Invested*



*Note(s): Data as of 28-September-2023.

Notable Recent GenAI Financing Transactions

September 25, 2023

ANTHROPIC

\$4B Strategic

Operator of an AI safety and research company. Developed Claude, an AI helper for tasks of any size. Funds will be used to accelerate the development of its future foundation models and make them widely accessible to AWS customers.

September 18, 2023

WRITER

\$100M Series B

Developer of a GenAI platform that provides training services securely on a company's own provided data, style and brand guidelines, enterprise-grade security and data privacy features. Funds will be used to further invest in its LLM.

Post Money Val.: \$500 million

September 14, 2023

Generate: Biomedicines

\$273M Series C

Developer of a gen-biology platform designed to invent new drugs across protein modalities and protein therapeutics. Funds will be used to advance the pipeline of 17 existing programs and approx 10 new starts annually.

Post Money Val.: \$2 billion

July 19, 2023

 **Lambda**

\$270M Later Stage VC

Developer of a generative biology platform designed to invent new drugs across protein modalities and protein therapeutics. Funds will be used to deploy new H100 GPU capacity with high-speed network interconnects and develop and launch features.

June 29, 2023

 **runway**

\$141M Series C Ext.

Developer of creative tools intended to bring the benefits of AI to creative projects. Funds will be used to scale in-house research efforts, expand the team, and bring multi-modal AI systems to market.

Post Money Val.: \$1.5 billion

June 13, 2023

Mistral AI

\$113M Seed

Developer of a productivity platform designed to offer Open-AI services. Funds will be used to compete against OpenAI in the building, training, and application of large language models and generative AI.

Post Money Val.: \$2 billion

June 02, 2023

 **cohere**

\$270M Series C

Developer of NLP software designed to build machines that understand the world and to make them safely accessible to all. Funds will be used to fuel enterprise adoption of generative AI.

Post Money Val.: \$373 million

March 3, 2023

 **Inflection**

\$1.3B Early-Stage VC

Developer of an AI-based platform designed to improve human-computer interaction. Funds will be used to further develop Pi, a bot trained to engage in a conversational back-and-forth with users.

Post Money Val.: \$4 billion

February 23, 2023

Adept

\$350M Series B

Developer of ML model intended to reimagine the way that people interact with the computer. Funds will be used to launch the company's initial products, train its models, and expand its team.

Post Money Val.: \$1 billion

April 27, 2023

 **Pinecone**

\$100M Series B

Developer of a vector database platform intended to deploy complex ML applications at scale and with ease. Funds will be used to expand operations and its business reach.

Post Money Val.: \$750 million

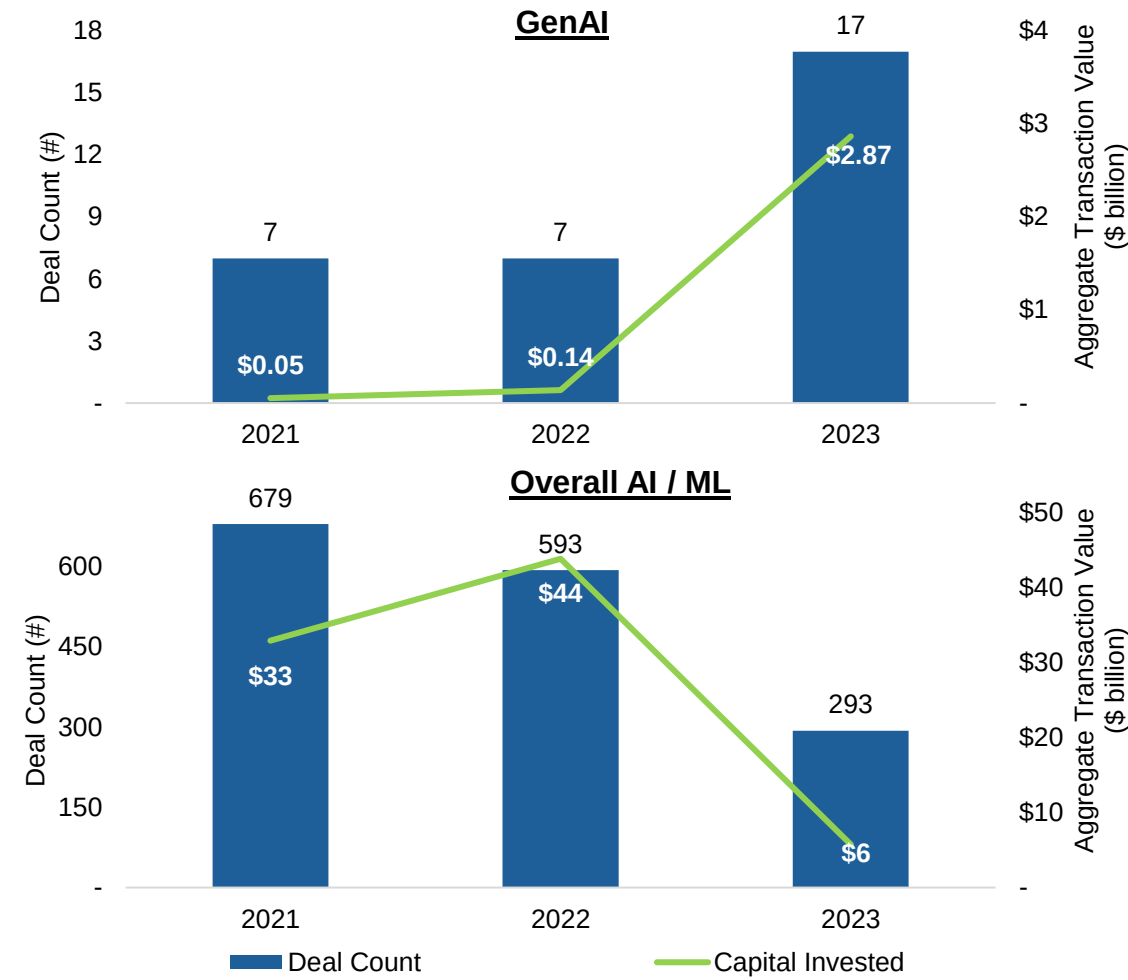


GenAI Merger & Acquisition Activity

Strategic acquisitions in the GenAI space have been fairly limited with overall AI/ML deal activity running at a lower level than in the past two years (see Exhibit 2). A dearth of M&A deals in the space has been driven primarily by the lack of maturity of the vast majority of the companies in the sector and the rapidly changing landscape of the sector itself driven by huge investments in GenAI by the world's largest, richest and most dominant tech companies. We expect this to change markedly over the next 12-24 months as many emerging growth companies start to gain meaningful market traction in specific market verticals and out-innovate large incumbents via better user experience, customization, and access to proprietary data. Key recent trends of note:

- **Smaller Deals and Acquihires Dominating GenAI M&A Activity in 2023:** Many strategic acquirers remain cautious, awaiting greater market traction from targets and the impact on target business models from large, well-funded foundational models such as OpenAI.
- **Big Tech's Selective Approach to Generative AI M&A:** While most tech companies continue to play a wait-and-see approach to Generative AI M&A given the rapid evolution of the sector, Big Tech continues to selectively scoop up technologies and teams that can enhance their competitive position, much like they have in the broader AI/ML space over the past several years.
- **Vertical Disruption:** There have been several strategic acquisitions in specific verticals that are being significantly disrupted by Generative AI technology, including legal research, drug discovery, customer experience, enterprise search, and document management.
- **GenAI Maturity and Private Equity:** GenAI businesses have not yet matured to the extent that PE buyout shops view them as platform companies, although we expect tech buyout shops like Thoma Bravo, Vista Equity Partners, Insight and others that have enterprise-facing portfolio companies will be actively doing add-on acquisitions in the space.

Exhibit 4: Gen AI vs Overall AI/ML Strategic Acquisition Deal Count & Aggregate Transaction Value*



*Note(s): Data as of 28-September-2023.



Notable GenAI M&A Transactions

September 19, 2023



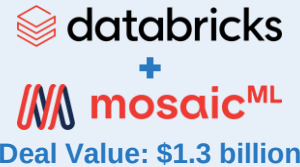
Provides AI and NLP-based business insights SaaS and related APIs for businesses globally. The move should help Acceldata harness enterprise enthusiasm associated with GenAI and LLMs.

August 04, 2023



Provider of GenAI services catering to healthcare and technology businesses. The acquisition helps to boost Ascendion's generative AI capabilities and enhance its presence in the Indian market.

June 26, 2023



Developer of software infra and AI training algorithms designed to improve the efficiency of neural networks. Databricks aims to democratize GenAI for organizations of all sizes.

June 26, 2023



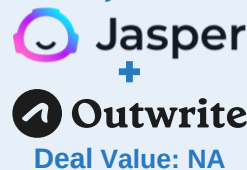
Developer of a research platform designed to offer the public access to legal research by tapping the knowledge of the legal community. Thomson Reuters' acquisition is geared towards transforming professional services GenAI.

May 24, 2023



Developer of an ad-free, private, premium search engine. Neeva's neural search application can supplant SQL as the primary interface and Snowflake may be future-proofing its business against this possibility.

January 24, 2023



Developer and provider of a technology tool designed to make sentences clear and concise. Jasper, having recently launched a Chrome extension, plans to integrate Outwrite into its product for a seamless user experience.

January 10, 2023



Developer of a business messaging platform intended to elevate the communication between customers and businesses all over the world. Insider's acquisition spurs the creation of conversational solutions.

January 10, 2023



Developer of a decision-making platform. The acquisition will help BioNTech use InstaDeep's ML to improve its drug discovery process, including developing personalized treatments tailored to a patient's cancer.

September 23, 2022



Developer of a documentation automation platform intended to translate all business documents into computer-readable and actionable data. Snowflake acquired Applica primarily for its talent and developed technology.

August 01, 2022



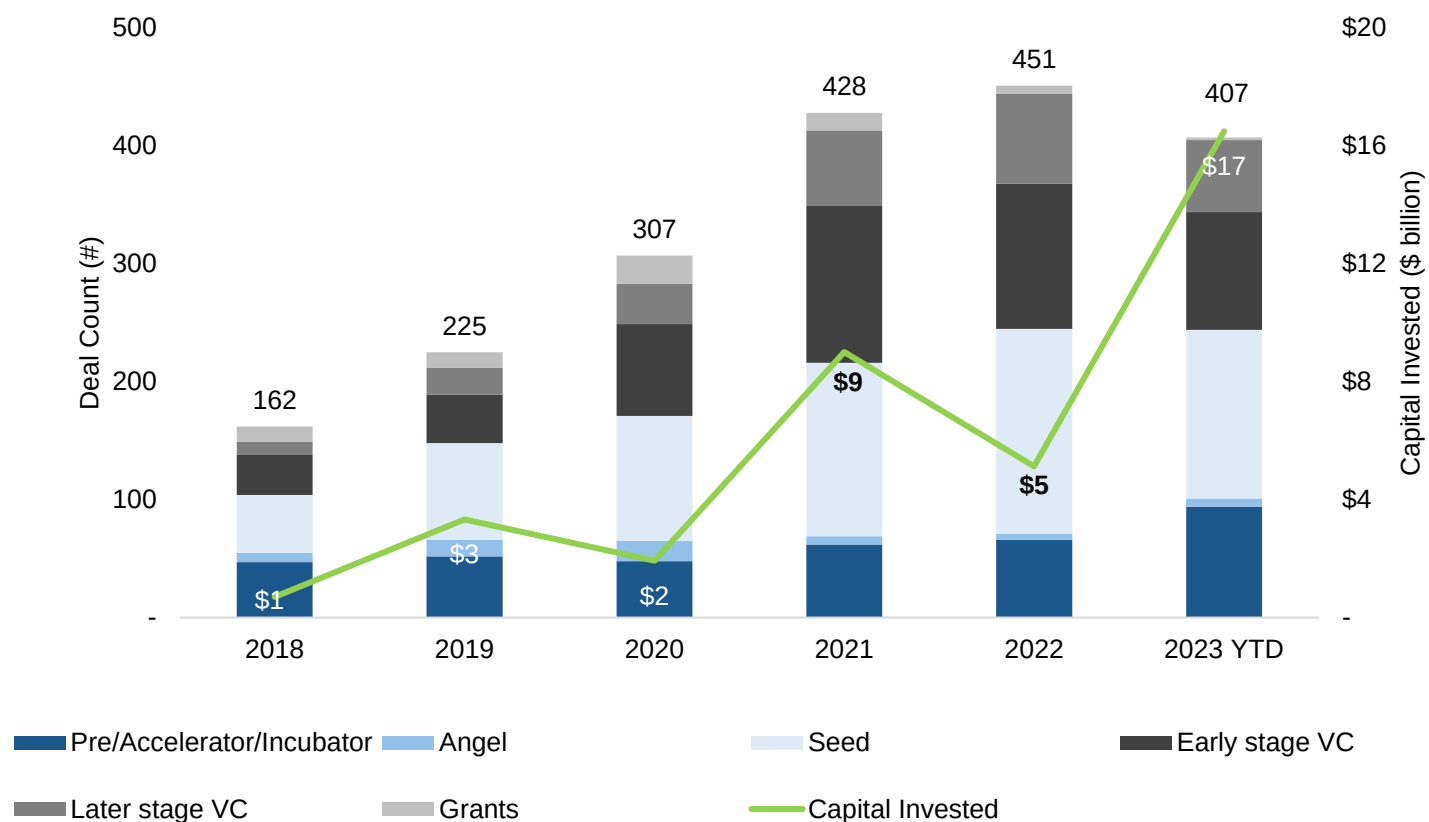
The company's avatar system converts the graphic form into a code based on face recognition technology, which is then transmitted with zero data load, thereby streaming user's facial expressions via the avatar.

The background of the slide features a deep blue, starry space scene. Overlaid on this is a semi-transparent image of a hand holding a tablet. The tablet screen shows a technical diagram, likely a network or system architecture, with nodes and connecting lines. The word "Appendix" is centered in a large, white, sans-serif font.

Appendix

Generative AI Financing Activity

Venture Financing Deal Count and Capital Invested



Top Generative AI VC Investors in the past 12 months

Investor Name	Deal Count
PIONEER FUND	20
SEQUOIA	16
Goodwater	13
Lightspeed	12
khosla ventures	11
andreessen. horowitz	9
AIX Ventures	7
Index Ventures	7
Madrona	7
SOMA CAPITAL	7

Note(s): Data as of 28-September-2023. Top VC Investors doesn't include Incubators and Angels.

Recent Generative AI Financing Transactions (\$100M+)

Date Announced	Company	Company Description	Lead Investors	Deal value (\$ million)	Post Valuation (\$ million)	Deal Series
25-Sep-2023	Anthropic	Research company intended to create large-scale artificial intelligence systems.	Amazon	4,000.0	-	Other
19-Sep-2023	Pryon	Enterprise knowledge management platform to streamline AI adoption.	US Innovative Technology Fund	100.0	-	Series B
18-Sep-2023	Writer	Developer of a GenAI platform designed for business writing needs.	ICONIQ Growth	100.0	500.0	Series B
14-Sep-2023	Databricks	Developer of a unified data analytics platform designed to make big analytics data simple.	T. Rowe Price (NAS: TROW)	500.0	43,500.0	Series I
14-Sep-2023	Generate Biomedicines	Generative biology platform designed to invent new drugs across protein modalities & therapeutics.	Amgen, nVentures and Maps Capital	273.0	2,000.0	Series C
07-Sep-2023	Imbune	AI systems designed to reason and code-imbuing computers with intelligence and human values.	Astera Institute	200.0	1,000.0	Series B
07-Sep-2023	Inceptiv Nucleics	RNA molecule structure modeling designed to execute complex functions, in a biological system.	Andreessen Horowitz, NVentures	100.0	500.0	Series A
30-Aug-2023	AI21 Labs	Developer of artificial intelligence and large language models and tools.	b2venture, Pitango VC, Samsung NEXT	155.0	1,400.0	Series C
13-Aug-2023	Anthropic	Operator of a research company intended to create large-scale AI systems	SK Telecom, LG CNS	100.0	-	Other
13-Jul-2023	Hugging Face	Chatbot App with NLP Technology	Salesforce Ventures	235.0	4,700.0	Series D
03-Jul-2023	Aleph Alpha	Generalizable artificial intelligence technology platform.	Intel, Nvidia, SAP	108.6	488.6	Other



Recent Generative AI Financing Transactions (\$100M+)

Date Announced	Company	Company Description	Lead Investors	Deal value (\$ million)	Post Valuation (\$ million)	Deal Series
13-Jun-2023	Mistral AI	Developer of a productivity platform designed to offer open-AI services.	Lightspeed Venture Partners	113.0	373.0	Seed
23-May-2023	Anthropic	Research company intended to create large-scale artificial intelligence systems.	Salesforce Ventures, Spark Capital, Zoom Ventures	450.0	5000.0	Series C
02-May-2023	Cohere	Developer of a natural language processing software designed.	Inovia Capital	270.0	2020.0	Series C
27-Apr-2023	Pinecone	Developer of a vector database platform.	Andreessen Horowitz	100.0	750.0	Series B
20-Apr-2023	Enveda Biosciences	AI-driven drug discovery platform.	Dimension Management, Kinnevik	119.0	319.0	Series B
03-Mar-2023	Inflection	Developer of an AI-based platform to improve human-computer interaction.	Bill Gates, Eric Schmidt, Microsoft, Nvidia, Reid Hoffman	1300.0	4000.0	Series B
27-Feb-2023	Typeface	Developer of a generative AI platform.	Salesforce Ventures	140.0	-	Series B
23-Feb-2023	Adept	AI for improved human-computer interaction	General Catalyst, Spark Capital	350.0	1000.0	Series B
13-Feb-2023	Light Year Beyond	Developer of an artificial intelligence (AI) -based research and deployment platform.	Source Code Capital	230.0	-	Series A
27-Jan-2023	Character.ai	AI-powered conversational applications	Andreessen Horowitz	150.0	1000.0	Series A
23-Jan-2023	OpenAI	Developer of an AI based research and deployment platform.	Coatue Management	300.0	28000.0	Other



Recent Generative AI Financing Transactions (\$100M+)

Date Announced	Company	Company Description	Lead Investors	Deal value (\$ million)	Post Valuation (\$ million)	Deal Series
23-Jan-2023	OpenAI	AI-based research and deployment platform.	Microsoft	10,000.0	29,000.0	Other
04-Jan-2023	Builder	Human-assisted AI to build, run and scale software without requiring technical expertise.	Qatar Investment Authority	250.0	-	Series D
05-Dec-2022	Runway	Developer of creative tools for AI	Felicis, Nvidia	191.0	1,500.0	Series C
16-Nov-2022	DeepL	Translation platform designed to offer AI systems for different languages and communication.	IVP	100.0	1,000.0	Series B



Recent Generative AI Acquisitions

Date Announced	Target	Target Description	Acquirer	Acquirer Description	Deal value (\$ million)
22-Sep-2023	Airkit.ai	Provides AI-powered customer service management SaaS	Salesforce	Provides CRM and marketing automation SaaS	-
12-Sep-2023	CuraPatient	Developer of a precision population health platform.	Access Bio	Engaged in vitro rapid diagnostic tests, biosensors, and other diagnostic products.	-
08-Aug-2023	Tuatarra	Automated software developer.	Euvic	Provides IT consulting services to help businesses transform technologically	-
04-Aug-2023	Nitor Infotech	Develops software products & generative AI solutions for healthcare industry.	Ascendion	Provides software engineering services for businesses globally.	-
29-Jun-2023	Light Year Beyond	AI based research and deployment platform.	Meituan	Chinese e-commerce platform offering over 200 service categories	285.0
26-Jun-2023	MosaicML	Developer of software infrastructure and artificial intelligence training algorithms.	Databricks	Unified data analytics management SaaS for businesses.	1,300.0
26-Jun-2023	Casetext	Research platform that offers access to legal research.	Thomson Reuters	Provides online business information & news services	650.0
02-Jun-2023	Diagram	Developer of AI model tools.	Figma	Developed the first professional-grade online tool for interface design.	-
01-Jun-2023	Incivus	Artificial intelligence-based advertising creation and optimization platform.	Course5 Intelligence	-	-
24-May-2023	Pencil	Creative artificial intelligence platform designed to generate content and visuals.	The Brandtech Group	Operates as a Advertising holding company	-
19-May-2023	Neeva	An ad-free, private, premium search engine.	Snowflake	Provides elastic data warehouse management SaaS for businesses.	185.0



Recent Generative AI Acquisitions

Date Announced	Target	Target Description	Acquirer	Acquirer Description	Deal value (\$ million)
08-May-2023	Valence Discovery	AI based drug discovery platform designed to unlock small and noisy datasets..	Recursion Pharmaceuticals	Operator of a drug-discovery company	35.1
05-Apr-2023	LanguageTooler	Multilingual platform designed for text verification.	Learneo	Provides AI-based business productivity and training management SaaS	-
04-Apr-2023	Codiga	Code analysis platform intended to upscale code quality.	Datadog	Enterprise IT service and application performance management SaaS	-
08-Mar-2023	ClipDrop	Builds applications integrating machine learning research into production.	Stability AI	AI-based 3D design creation SaaS, open APIs, and related SDKs.	-
08-Mar-2023	Coxwave	Next-generation product analytics tool for artificial intelligence-native products.	Sandol Meta Lab	Provides new and diverse services from digital content creators to consumers.	-
10-Jan-2023	MindBehind	Conversational commerce & messaging platform	Insider	AI-based cross-channel customer experience SaaS for businesses	-
10-Jan-2023	InstaDeep	AI programs and predictive analytics to optimize decisions.	BioNTech	Provides oncology and mRNA therapeutic drug development and vaccines	723.6
01-Jan-2023	Typeset	AI design engine intended to be used by customers to create digital assets.	SamCart	Online eCommerce platform intended to sell D2C products.	-
18-Oct-2022	Outwrite	Technology tool designed to clarify sentences and enhance conciseness.	Jasper	AI-based content management SaaS to businesses in the US.	-
06-Oct-2022	Supertone	AI based audio technology designed to create a richer media ecosystem.	Hybe	A music-based entertainment lifestyle platform company.	31.5
06-Oct-2022	Frase	Content creation platform intended to automate the process of content writing.	Copysmith Artificial Intelligence	AI-powered marketing content creation and copywriting SaaS	-



Recent Generative AI Acquisitions

Date Announced	Target	Target Description	Acquirer	Acquirer Description	Deal value (\$ million)
06-Oct-2022	Rytr	Content creation software designed to be an all-in-one writing assistant.	Copysmith Artificial Intelligence	AI-powered marketing content creation and copywriting SaaS	-
29-Sep-2022	Metaphy AI	Web applications intended to strategize, build, and maintain world-leading TX.	JetSynthesys	Developer of digital technologies and content platform in India	0.1



Representative Companies in Generative AI

AI Core

Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
ANTHROPIC	Operator of an AI safety & research company intended to build AI systems.	Model Architecture	\$5,154	\$5,000 (2023)	San Francisco, CA
cohere	Developer of a natural language processing software designed to build machines.	Model Architecture	\$440	\$2,952 (2023)	Toronto, Canada
Pinecone	Develops a vector database platform for deploying complex ML applications.	Orchestration	\$138	\$750 (2023)	San Francisco, CA
OpenAI	Developer of an AI-based research and deployment platform for AGI.	Model Architecture	\$11,310	\$28,000 (2023)	San Francisco, CA
HUGGING FACE	Developer of a chatbot application and natural language processing technologies.	Model Architecture	\$400	\$4,500 (2023)	Brooklyn, NY
Inflection	Developer of an AI-based platform designed to improve human-computer interaction.	Model Architecture	\$265	\$4,000 (2023)	Palo Alto, CA

Natural Language Interfaces

Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
Moveworks	Offers a generative AI platform to boost employee productivity.	Chatbots & assistants	\$308	\$2,100 (2021)	Mountain View, CA
character.ai	Develops open-ended conversational applications powered by neural language models.	Chatbots & assistants	\$193	-	Menlo Park, CA
DeepL	Develops a translation platform using artificial intelligence systems.	Neural search	\$100	\$1,000 (2023)	Cologne, Germany
[PERSADO]	Provides a cognitive content platform for effective marketing strategies.	Sales & marketing	\$113	-	New York, NY
intento	Operates an enterprise integration platform for enhancing the global translation business.	Translation	\$11	\$17 (2023)	San Francisco, CA
grammarly	Develops communication assistance technology for writing.	Writing & editing	\$400	\$13,000 (2021)	San Francisco, CA



Representative Companies in Generative AI

Code					
Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
	Offers an AI website builder application for small businesses.	Application development	-	-	San Francisco, CA
	Develops an online platform to turn designs into production-ready front-end code.	Application development	\$7	-	Singapore, Singapore
	Operates an online programming and computing platform for coding and collaboration.	Assistants	\$208	\$1,160 (2023)	San Francisco, CA
	Develops a data analytics platform to solve data bottleneck problems in organizations.	Data analytics	\$10	\$30 (2023)	New York, NY
	Develops a continuous documentation platform for developer teams.	Documentation	\$33	\$112 (2021)	Tel Aviv, Israel
	Develops an AI-powered design tool for user interface creation.	Testing	\$19	-	Copenhagen, Denmark

Vertical Application (Enterprise)					
Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
	Develops a personalized learning platform for education.	Edtech	\$83	-	Stockholm, Sweden
	Develops an investment platform with AI-driven strategies for retail investors.	Fintech	\$10	-	Palo Alto, CA
	Develops an AI-powered chatbot for delivering therapy and emotional support.	Healthtech	\$139	-	San Francisco, CA
	Offers a security rating platform for organizations.	Information security	\$293	\$1,100 (2021)	New York, NY
	Develops a research platform for legal access and analysis.	Legal	\$68	\$650 (2023)	San Francisco, CA
	Offers natural language-powered search and answer solutions for enterprises.	Business Intelligence	\$40	-	San Mateo, CA

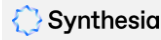


Representative Companies in Generative AI

Audio

Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
	Provides machine-learning-based speech enhancement technology for communication devices.	Enhancement & Editing	\$16	\$114 (2021)	Berkeley, CA
	Operates a music platform using AI and machine learning to deliver continuous electronic music.	Music Generation	\$24	\$75 (2021)	Austin, TX
	Develops AI-based music generation software for musicians.	Music Generation	\$2	-	Tokyo, Japan
	Offers AI notetaker software for transcribing and creating clips in online meetings.	Summarization, search & analysis	\$5	\$34	San Francisco, CA
	Provides dubbing services using deep learning technology.	Synthetic Voice	\$20	-	Tel Aviv, Israel
	Develops artificial intelligence algorithms for speech synthesis and other technologies.	Voice Recognition & Transcription	\$5	-	-

Visual Media

Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
	Develops an AI-based text-to-image platform for artistic expression.	2D Images	-	-	Houston, TX
	Provides a photo editing platform for studio-quality product pictures.	2D Images	\$20	-	Paris, France
	Develops a photorealistic 3D capture software for smartphones.	3D Models	\$24	\$100 (2023)	Sunnyvale, CA
	Develops an AI-based content writing platform for businesses.	Content Suite	\$141	\$1,500 (2022)	Rollingwood, TX
	Operates an e-commerce platform for fonts, graphics, and designs.	Content Suite	\$7	-	Amsterdam, Netherlands
	Develops video synthesis technology to replace cameras with code.	Video	\$156	\$1,000 (2023)	London, United Kingdom



Representative Companies in Generative AI

Biotechnology

Company Logo	Description	Category	Total Raised (\$ million)	Valuation (\$ million)	HQ
	Researcher and developer of an AI platform and new drugs for diseases.	Drug Discovery	\$426	-	Hong Kong, Hong Kong
	Operates a generative biology platform for inventing new drugs.	Drug Discovery	\$420	\$2,000 (2023)	Cambridge, MA
	Developer of a computational pathology module platform for rapid cancer detection.	Patient Evaluation	\$240	\$650 (2023)	New York, NY
	Developer of RNA molecule structure modeling designed to execute complex functions, in a biological system.	Drug Discovery	\$120	\$500 (2023)	Palo Alto, CA
	Provides proprietary, automated NLP technologies that accelerate the speed of drug discovery.	Drug Discovery	-	-	New York City, NY
	Provides a platform for the rational design of new molecules and medicine using AI.	Drug Discovery	\$42	\$125 (2023)	San Francisco, CA



AI/ML Transactions Completed by Telegraph Hill Advisors Professionals



Automated machine learning development software for embedded edge devices



Voice-powered entertainment AI



Sensor-agnostic simulation, testing and verification software for Autonomous Vehicles



AI-based SaaS for MarTech and CRM



NLU and speech recognition solution for conversational AI applications



3D Vision for Autonomy



Insights from structured and unstructured data using machine learning



AI/ML Software



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