

June 2021

Qualcomm
ventures

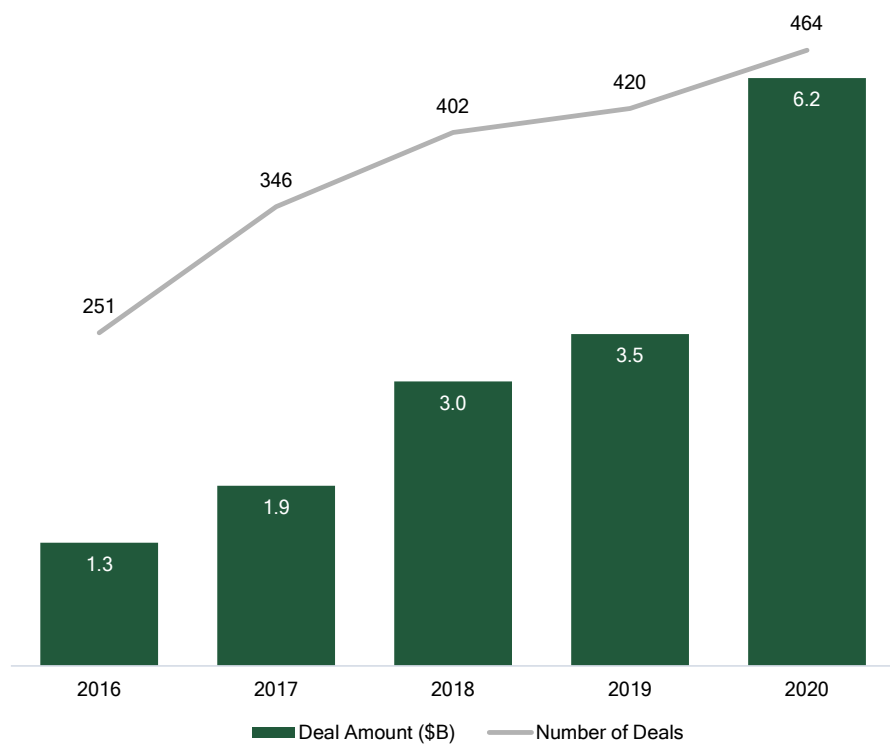
AgTech Investment Thesis

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Agenda

- Industry Context
- Value-Chain & Taxonomy
- Insights & Recommendation

Why AgTech



Large and maturing industry going through fundamental change

- \$5T+ market
- Increasingly later stage deals
- Successful investments in the space

Key Trends & Tailwinds



Productivity

Increases in productivity are needed to meet growing food demand with limited land



Digitalization

The farm is becoming more connected as Big Ag pushes for digital solutions



Demand

Consumers set standards and new generations of farmers want technology

Unique Challenges

Connectivity



Limited Choices

Constraints use cases,
negative cycle

BUT

Workarounds and progress

Adoption



Long Testing Periods

Incremental adoption and
importance of risk mitigation

BUT

Demand exists

Scalability



Window of Opportunity

Budgeted tech spend and
non-controllable variables

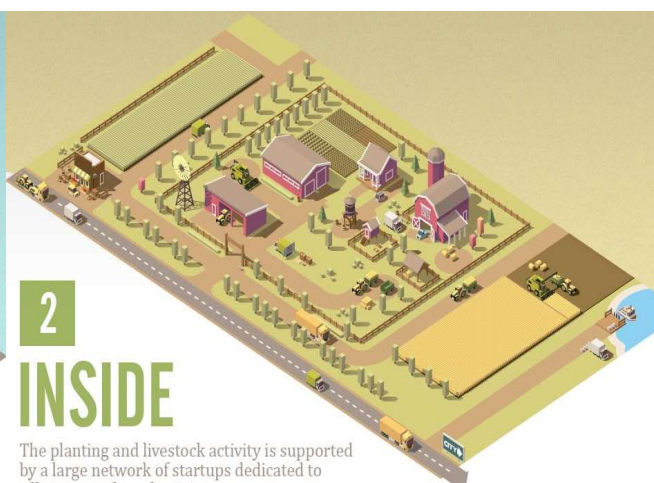
BUT

Stickiness

Value-Chain



INPUT COMPANIES RETAILERS



FARMERS AGRONOMISTS

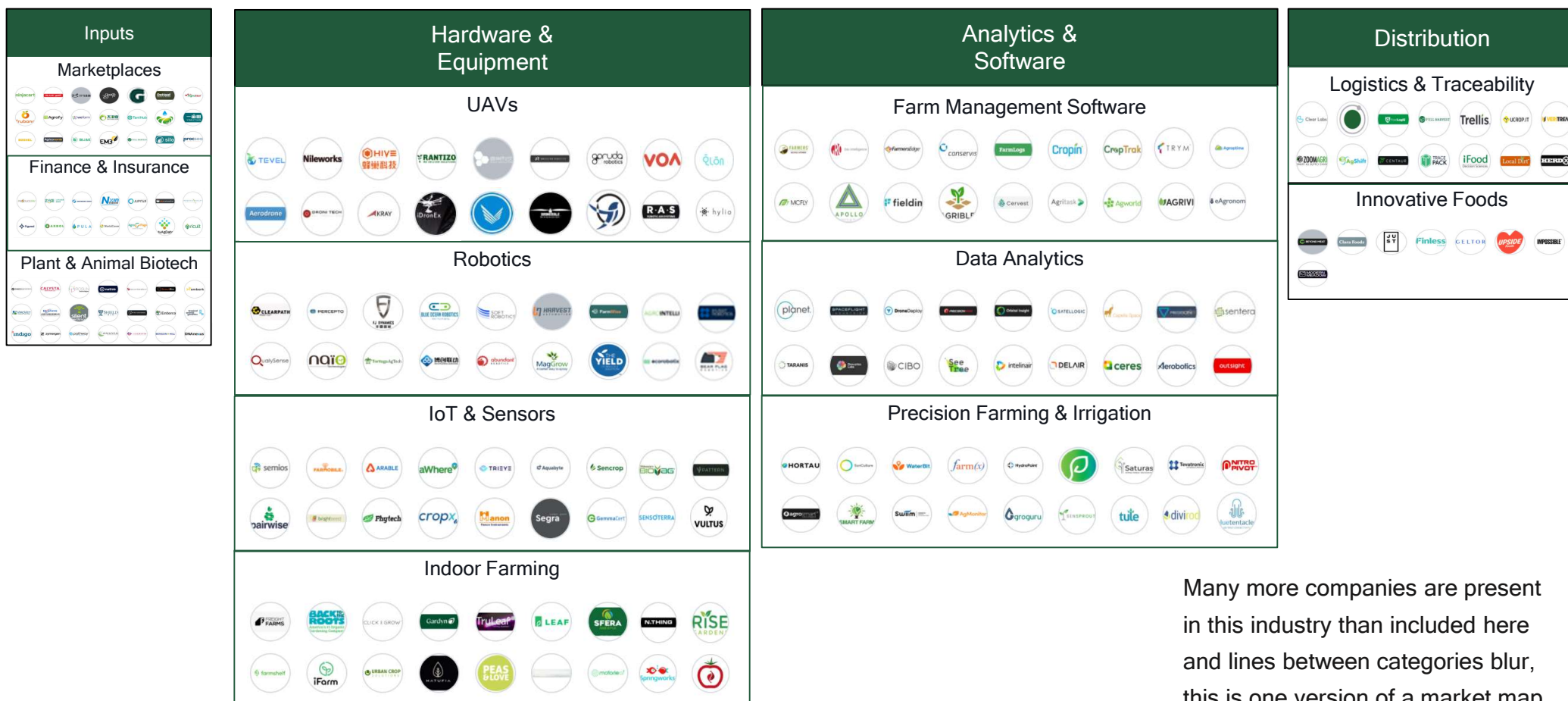


TRADING & PROCESSING COMPANIES FOOD COMPANIES RETAILERS CONSUMERS

BEFORE

INSIDE

AFTER



Many more companies are present in this industry than included here and lines between categories blur, this is one version of a market map



Our Focus

Data collection and intelligence are more valuable together

Other areas of interest

- Logistics & Traceability
- UAVs & Robotics
- Indoor Farming

Insights

- Many ways to slice-and-dice the industry given its size and complexity
- Demand is for simple, integrated solutions
- Agronomists and other trusted advisors are an important entry point for farmers
- Adoption and scale happens when there is a clear value-proposition

Opportunity

- Digitalization in Ag is inevitable and Qualcomm is positioned to play a big role in it due to our knowledge of technology and Ag
- End-to-end solutions that improve life on the farm and/or have significant financial returns have tremendous opportunity



Strategic Value

Connectivity

- Increase usage of Qualcomm technologies
- NB IoT, 4G & 5G

IoT, Drones, Robotics





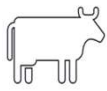


- Market sensing for product roadmap
- Revenue share

AI

- Edge computing
- Use cases (Computer Vision & NLP)

The Brazil Opportunity

Local problems and strong ecosystem with potential for scale

Global Rank per Commodity							
							
Producer	<div>Sugar</div> <div>2nd</div>	<div>Coffee</div> <div>1st</div>	<div>Soy</div> <div>2nd</div>	<div>Poultry</div> <div>2nd</div>	<div>Beef</div> <div>2nd</div>	<div>Corn</div> <div>3rd</div>	<div>Pork</div> <div>4th</div>
Exporter	<div>1st</div>	<div>1st</div>	<div>1st</div>	<div>1st</div>	<div>1st</div>	<div>3rd</div>	<div>4th</div>

- Ag represents 1/4 of Brazil's GDP
- 85% of Brazilian farmers use WhatsApp
- Gov incentivizing connectivity solutions
- Brazilian BU focused on the sector

Summary & Recommendation

We believe companies with an end-to-end solution, clear value-prop and smart GTM have a great opportunity

01

INDUSTRY SIZE AND NEEDS

Agriculture is a large market with clear needs but also with a complex value-chain and long sale cycles

02

STRATEGIC VALUE

Qualcomm can play a role in shifting farms to be more digital and data driven using IoT, AI, and connectivity solutions

03

LOCAL MARKETS

Brazil is a great platform for AgTech investment given its local market size and the demand for local solutions