

Nasdaq: AZ

Frankfurt: A3CSQ9

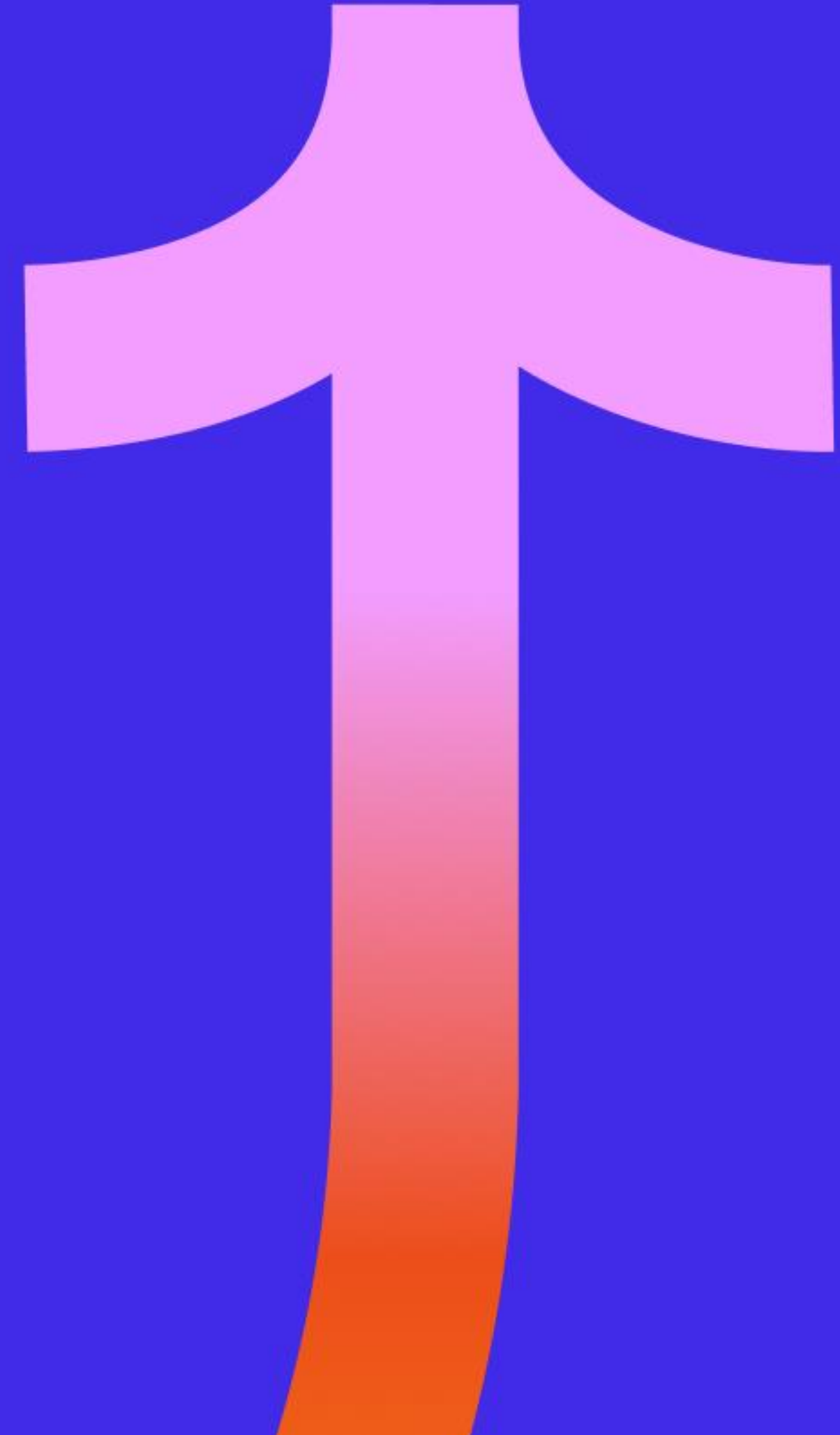


The Game Changer in Shopping Experience –  
AI & Big Data bring Shopping to a new Level !

# A2Z Smart Technologies Corp

## Investor Presentation

[www.cust2mate.com](http://www.cust2mate.com)



# Forward Looking Statement & Risk Factor

All content, including text, graphics, images, and information, contained in or available through this presentation is for general information purposes only. Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but we do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described herein may not be suitable for all investors. This material has been prepared for informational purposes only, and it is not intended to provide, and should not be relied on for, accounting, legal, tax advice, or investment matters. The reader is advised and encouraged to consult their own professional advisers for confirmation of the facts and to seek contrary opinions.

A2Z Smart Technologies Corp. ("A2Z") and its subsidiary Cust2Mate, Ltd. ("Cust2Mate") cautions that certain statements in this presentation are forward-looking statements. All statements, other than statements of historical facts, contained in this presentation, including statements regarding Cust2Mate 's future results of operations or financial condition, prospects, business strategy and plans, and objectives of management for future operations, the success of sales and marketing efforts, the extent of market acceptance for Cust2Mate products and services, Cust2Mate 's ability to develop and bring to market new or enhanced products, Cust2Mate 's international ventures, and regulatory environment and continuing uncertainty in the global economic environment, are forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. The words "believe," "will," "may," "estimate," "continue," "projection", "anticipate," "intend," "should," "plan," "expect," "predict," "could," "potentially," or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors. The forward-looking statements contained in this presentation speak only as of the date the statements are made and are based on information available to the company at that time and/or management's good faith. A2Z and Cust2Mate assume no obligation to update forward-looking statements to reflect actual performance or results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Accordingly, investors should not put undue reliance on any forward-looking statements.

Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, those indicated in our publicly disclosed financial statements including our annual report for the year ended December 31, 2023 and the following:

- **Market Volatility:** The value of investments in A2Z may fluctuate due to market conditions, including economic downturns, industry trends, and geopolitical events. Investors should be prepared for potential volatility in the stock price and the possibility of losses.
- **Competitive Landscape:** A2Z operates in a highly competitive market with numerous players offering similar products and services. Intense competition may impact the company's market share, pricing power, and profitability. Failure to effectively differentiate itself or respond to competitive pressures could negatively affect A2Z's financial performance.

# Forward Looking Statement & Risk Factor (cont.)

- **Technology and Innovation:** A2Z's success relies on its ability to develop and maintain innovative technologies, products, and services. Rapid technological advancements, changing consumer preferences, or failure to adapt to emerging trends may render A2Z's offerings less attractive or obsolete, potentially impacting its competitive position and financial results.
- **Regulatory and Legal Compliance:** A2Z operates in a regulated environment and must comply with various laws, regulations, and industry standards. Non-compliance with these requirements, including data protection, privacy, and intellectual property laws, could lead to legal actions, fines, reputational damage, or disruption of business operations.
- **Dependence on Key Customers:** A2Z's revenue may be concentrated among a few key customers, making the company vulnerable to the loss of any significant customer relationship. Changes in customer preferences, business decisions, or financial instability of key customers could adversely impact A2Z's financial performance.
- **Supply Chain and Manufacturing Risks:** A2Z relies on third-party suppliers for components and manufacturing processes. Disruptions in the supply chain, such as delays, quality issues, or inability to secure necessary materials, could impact product availability, delivery schedules, and customer satisfaction.
- **Intellectual Property Protection:** A2Z's success depends on its ability to protect its intellectual property rights, including patents, trademarks, and trade secrets. Unauthorized use or infringement by competitors could harm A2Z's market position and competitiveness.
- **Financial Performance and Capital Requirements:** A2Z's financial performance may fluctuate due to various factors, including changes in market demand, pricing pressures, operating costs, and macroeconomic conditions. Additionally, the company may require additional capital to fund research and development, expansion plans, or other strategic initiatives, which could dilute existing shareholders' interests.
- **Cybersecurity and Data Privacy:** A2Z collects and processes sensitive customer data, making it susceptible to cyber threats, data breaches, or unauthorized access. Failure to adequately protect customer information or comply with data protection regulations could result in financial losses, reputational damage, or legal liabilities.
- **Macroeconomic Factors:** A2Z's financial performance may be influenced by macroeconomic factors, such as inflation, interest rates, currency exchange rates, and global economic conditions. Economic downturns or adverse economic events could impact consumer spending, business investments, and demand for A2Z's products and services.

Any discussion or forecast contained in this presentation regarding past or proposed outcomes is solely for illustrative purposes and should not be relied upon as a guarantee or indication of future outcomes, industry trends, financial performance, development, executional or growth performance. The actual results and trends may vary and are subject to a variety of factors, including market conditions, competition, regulatory changes, and other unforeseen circumstances. The forward-looking statements contained in this presentation are based on management's good faith and assumptions made at the time of the statement, and A2Z and Cust2Mate assume no obligation to update or revise any forward-looking statements, except as required by applicable securities laws. Investors are cautioned not to rely excessively on any forward-looking statements and should consult their own professional advisers for advice on the specific facts and circumstances of their investment decisions.



# Overview



- A2Z is a global leader of advanced proven-in-use smart-cart based solutions that power the “connected store”.
- A2Z’s Cust2Mate smart-cart **streamlines** the in-store shopping experience by scanning purchased products and enabling in-cart payment so that shoppers can simply "pick & go", and bypass long cashier checkout lines.
- The A2Z Cust2Mate smart-carts resolve the main pain-points of the brick-and-mortar grocery retail industry and in addition bring the online experience to the physical store.
- The A2Z Cust2Mate solution **maximizes shoppers' engagement**, reduces theft, increases revenues to the retailer, optimizes store operations and provides data-driven actionable insights.
- A2Z already has **thousands of carts deployed and ordered**, with proven value delivered to retailers and shoppers.
- Led by a strong global team with hundreds of years of accumulated global retail and operations experience.

MIGROS



franprix



MONOPRIX



# Leadership

## Bentsur Joseph

Founder and Chairman

Is a serial entrepreneur with a proven track record in establishing successful corporations and expanding them into new markets and industries. He is the Founder and Chairman of A2Z Smart Technologies Corp. He has served as the Chairman at Elad Hotels – part of the Tshuva Group, one of the largest real estate and investment groups in Israel; as a Director at MARLAZ – public holding company which controls several publicly traded companies in the industrial, real estate, communication, and hi-tech industries; as Operations Manager at Comfy Interactive Movies – a leading publicly quoted Edutainment public company.



## Gadi Graus

CEO

A dynamic leader with strong multidisciplinary business acumen, more than 30 years of experience and an excellent track record of delivering a global scale. Has an extensive corporate and commercial practice with considerable international and cross border experience. Had successfully assisted Hi-Tech, industrial and manufacturing companies in all stages – preliminary developmental through to multinational corporations. Advised Israeli and foreign, private and public companies in wide variety of fields.



## Gadi

**Levin**  
CFO

Has 20-year experience working with US, Canadian and multi-jurisdictional publicly listed companies. He currently serves as a director and CFO of a few publicly listed companies.

He began his career at the accounting firm, Arthur Andersen, where he worked for nine years, specializing in NYSE/NASDAQ listed companies, IPO's, start up's, US GAAP and IFRS.



## Alan

**Rootenberg**  
Director

Is a chartered professional accountant who has served as the CFO of a number of publicly traded companies listed on the TSX, TSX Venture Exchange, OTCBB and CSE. These companies include mineral exploration, mining, technology and cannabis companies. Has a Bachelor of Commerce degree from the University of the Witwatersrand in Johannesburg, South Africa and received his CPA designation in Ontario, Canada.





# Smart-Cart Benefits to Shoppers



- Pick and Go – frictionless, effortless shopping
- Eliminate checkout lines - no more standing in line
- Payment on the cart
- Loyalty membership benefits readily available
- Download shopping lists, purchase history and more
- Weigh produce and loose items on the cart
- Rich product information including allergen warnings, ingredients, nutritional value
- Product search and locate
- Personalized offers, discounts and promotions
- Tailored context driven and location-based advertising
- Coupons – automatically and instantly saving money

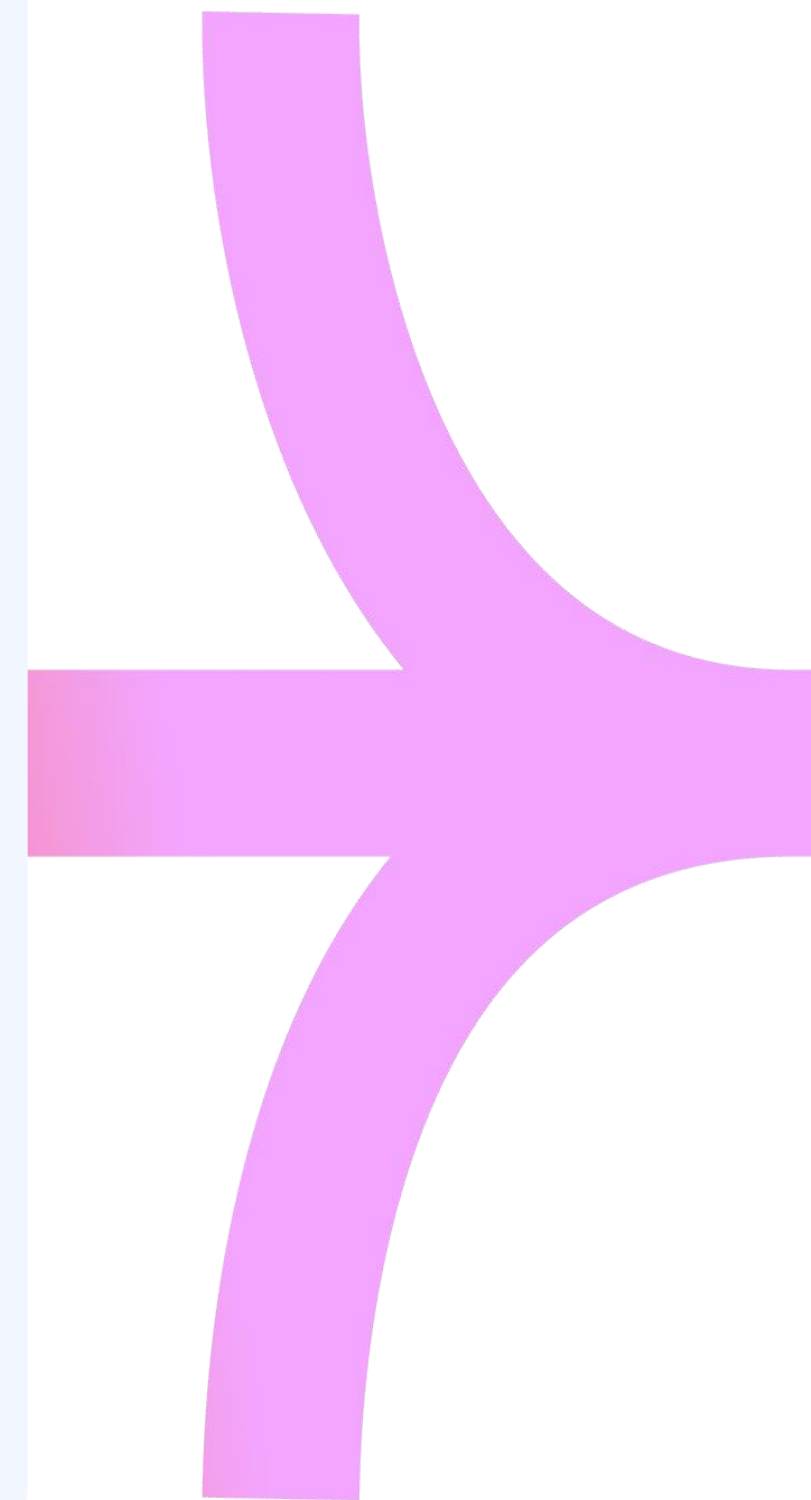


# And Many Benefits To Retailers

Guillame Cocovi, director of strategy and transformation, for Carrefour Group said: “We are receiving very, very positive feedback from customers. Our teams are working to explore all possible opportunities, looking for other stores that can join the adventure. Ultimately, the Cust2Mate shopping carts could well invade the shelves of Carrefour stores throughout France.”

## The Cust2Mate smart shopping cart was built to solve the main pain points of grocery retailers:

- Increase revenue and profit
- Improve customer satisfaction & loyalty
- Influence shopper's decision at the point-of-purchase
- Engage with shoppers on a personalized level throughout their shopping visit
- Reduce theft
- Enhance in-store operational efficiency, and redeploy labor
- Bring the online experience to the physical store
- Deliver unique data insights

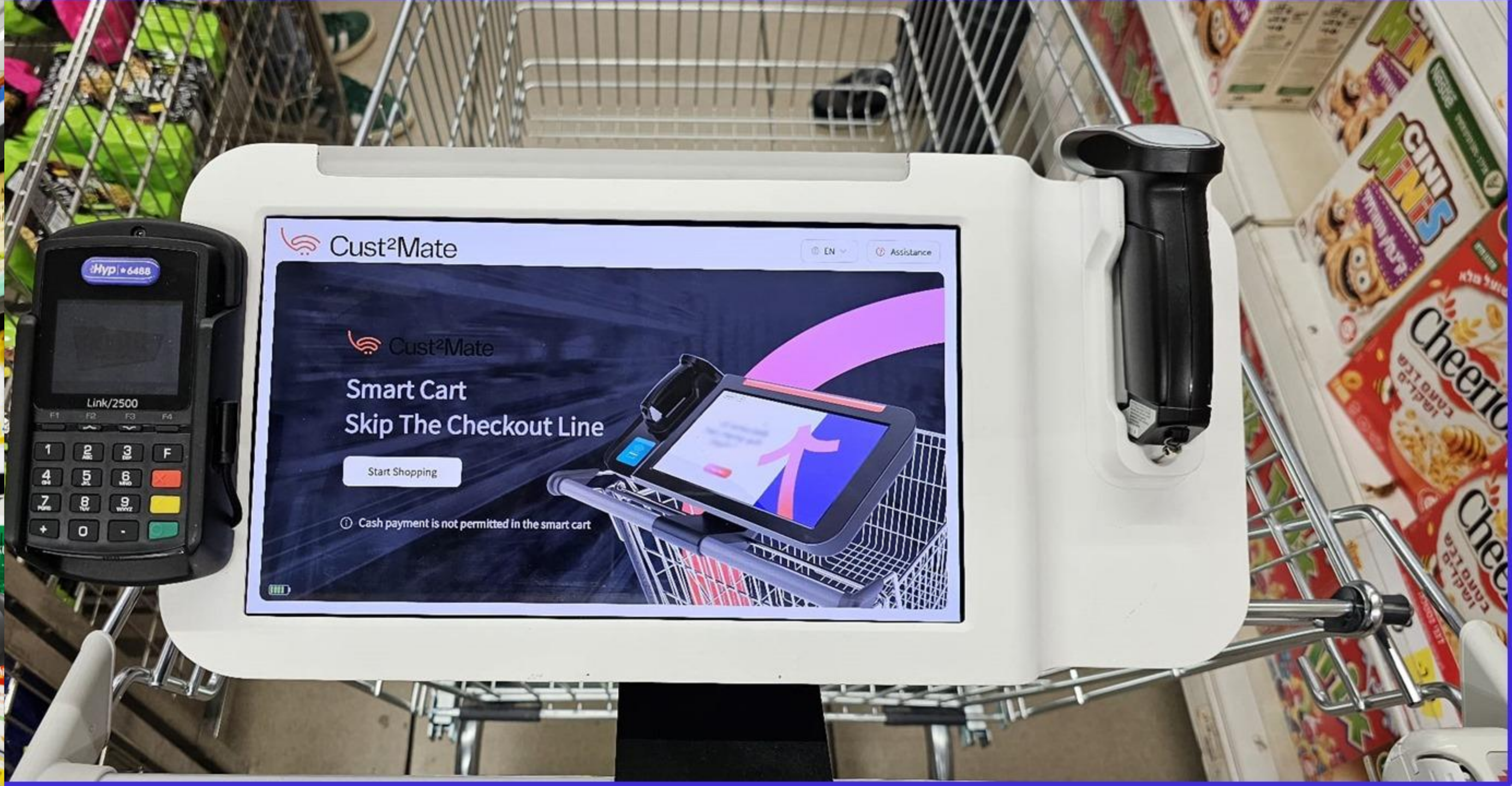


## Our smart carts bring results\*

- Serving thousands of shoppers every day, and scaling fast
- A store can be retrofitted in 1 day
- 75% returning customers (shoppers)
- Average basket size up-to 40% to 60% bigger than regular carts & Self Checkout
- Up-to 5 cashier lines removed
- Average items in the cart - 43
- Shoppers satisfied with 4.3 out 5 rating

\* Based on commercial customer measured results



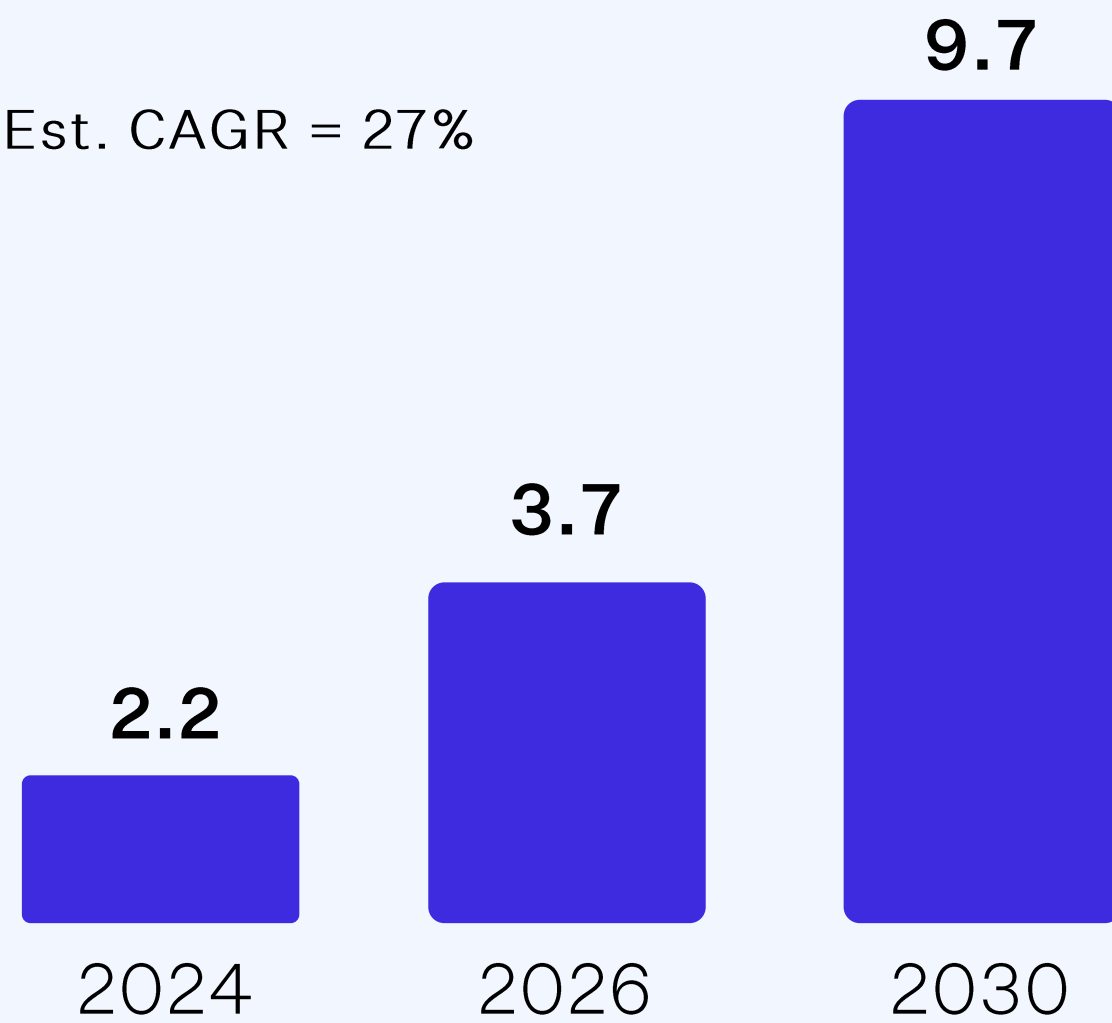




# Large, Fast-Growing Addressable Market

Global Smart Shopping Carts Market (\$B)

Est. CAGR = 27%



Source: Global Smart Shopping Cart Market. June 2024, 360i Research.

- Transactions Processed by Frictionless Checkout 2025 = **\$387B**
- USA Retail shrinkage (mainly theft) in 2021 = **\$94.5B** (growing fast)
- Global retail media market 2025 = **\$165B** (CAGR of ~20%)

## European Grocery Retail Stats

- Over 300 grocery chains with at least 50 stores
- Over 300,000 Stores in total

## USA Grocery Retail Stats

- Over 100 grocery chains with at least 50 stores
- Over 60,000 Stores in total

200-300 shopping carts per Supermarket & 700-800 per Hypermarket

Sources:

Transactions Processed by Frictionless Checkout 2025 = \$387B [Juniper research - Digital Retail Technologies: Adoption, Implementation & Strategy 2020-2025]

USA Retail shrinkage (mainly theft) in 2021= \$94.5B (growing fast) [NRF (National Retail Federation) - National Retail Security Survey 2022]

Global retail media market 2025 = \$165B (CAGR of ~20%) [eMarketer & insider Intelligence - Retail Media Ad Spending Forecast 2024]

IBISWorld, Supermarkets & Grocery Stores in the US - Market Size (2004-2029)

Top 50 retailers by store count: <https://www.supermarketnews.com/retail-financial/meet-2022-top-50-retailers-and-wholesalers>,

There are over 60,000 supermarkets in the US - <https://www.ibisworld.com/industry-statistics/number-of-businesses/supermarkets-grocery-stores-united-states/>

# Business Model

## SUBSCRIPTION

- Minimal upfront payment with multiyear subscription agreement.
- Monthly subscription fee includes SW updates, SW & HW support and maintenance.

## RETAIL MEDIA

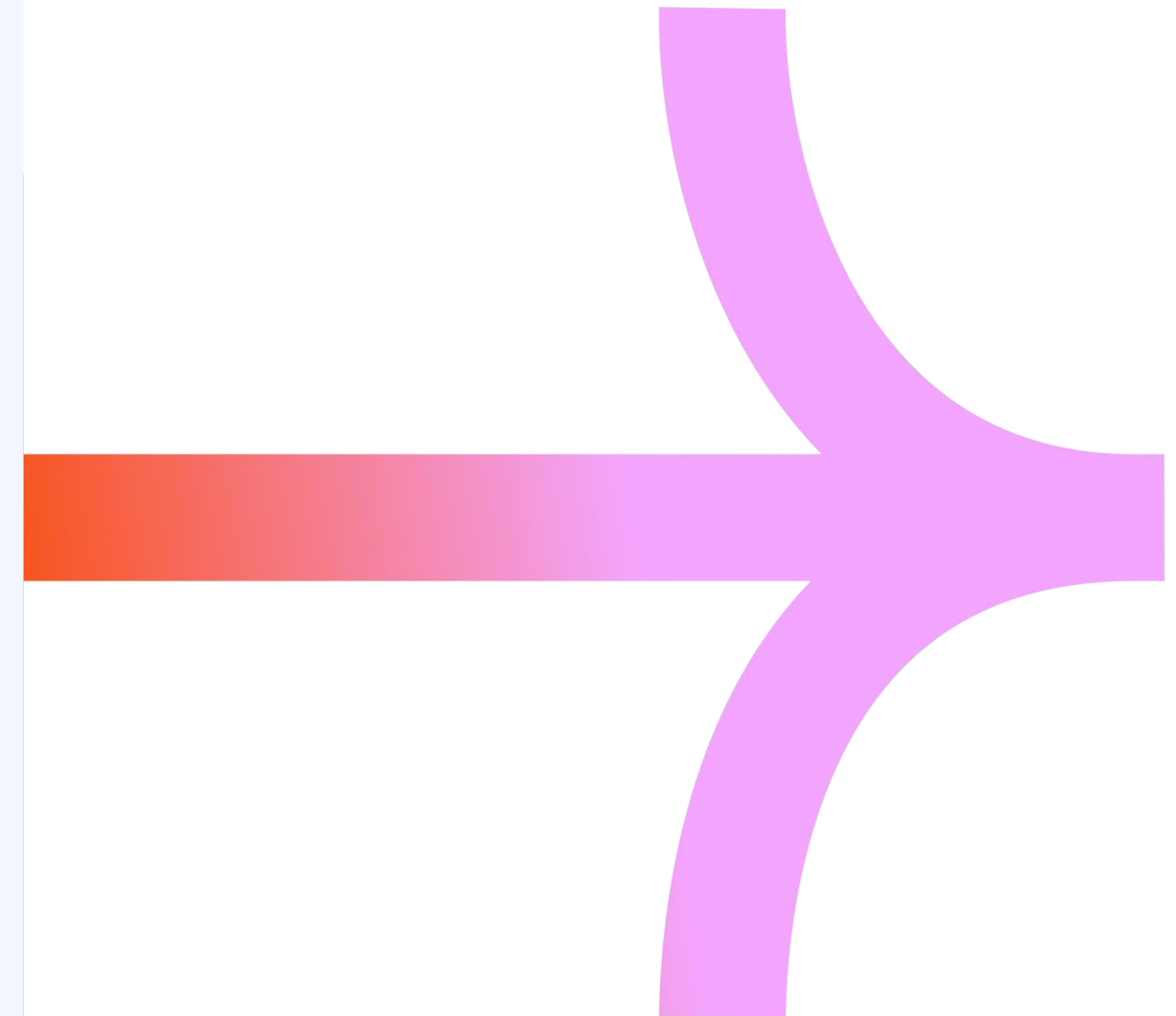
- Leverage unique data collected by the A2Z Cust2Mate smart cart system (e.g. shopping history, purchase trends and instore location) to provide tailored, targeted and personalized advertising

## BIG DATA

- Monetize real-time data collection and analytics, using advanced AI and machine learning algorithms, to provide retailers with actionable business insights to increase revenue, drive cost and labor efficiencies, and personalize the customer shopping experience.

## REVENUE SHARE

- Receive revenue share from retail media, coupons, payments, third part apps installed on the smart cart platform, and other incremental value generated by the A2Z Cust2Mate smart cart solution.





# Manufacturing & Financing



## MANUFACTURING

- Manufacturing is outsourced to Tier 1 Turn-Key contract manufacturers.
- Provides economies of scale, expertise and flexibility.
- A framework agreement is in place with Tier-1 contract manufacturer Flex
- Transition to production of smart cart kits will streamline the production process and logistics.
- Looking to lower per unit manufacturing costs and increase margin as unit sales increase.



## FINANCING

- We expect to fund the manufacturing of our smart carts at scale, against orders; working with Asset Based Financing lenders.
- Up-front payment + lending are expected to provide the needed funds for the production.
- Loan repayments will be made from the monthly recurring revenues.

## SMART PANEL



## SCALE



# Company By The Numbers

## Strong Financial Performance:

- Revenues: 2021 \$2.7M, 2022 \$9.3M, 2023 \$11.3M

## Carts Deployed:

- Thousands of carts deployed & ordered in 4 continents

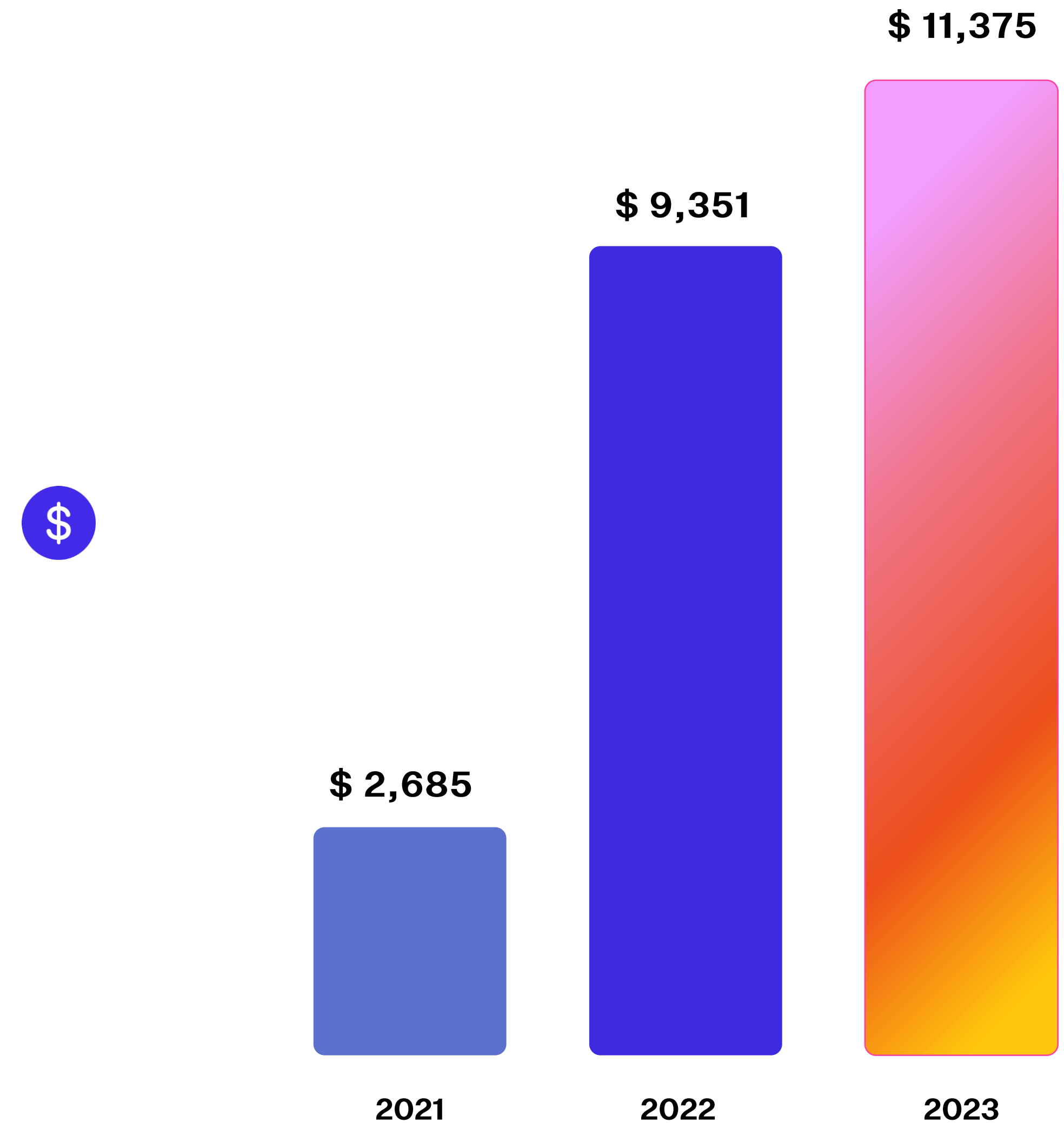
## Pipeline:

- A2Z Smart Carts are currently deployed and being tested at several large retailers worldwide.

## Strong Network of Technological Partners:

- NCR, Toshiba, Asus, Lenovo, Accenture, Flex, Edgify, SensePass, etc.

A2Z Annual Revenue (\$K)





# Carts Order Flow



## CURRENT ORDER FLOW

- Thousands of carts
- From leading retail players in 4 continents
- With more than 3,000 stores in aggregate



## SIGNED FRAMEWORK AGREEMENTS\*

- 50,000 carts
  - France – 30,000 carts
  - Thailand and Malaysia – 20,000 carts

- A framework agreement is an agreement with a local partner, which is a leading integrator of technological solutions for retail chains, intended to deploy a given number of smart carts across a defined area in a given period of time. The framework agreements are non-binding, or may not result in purchases.

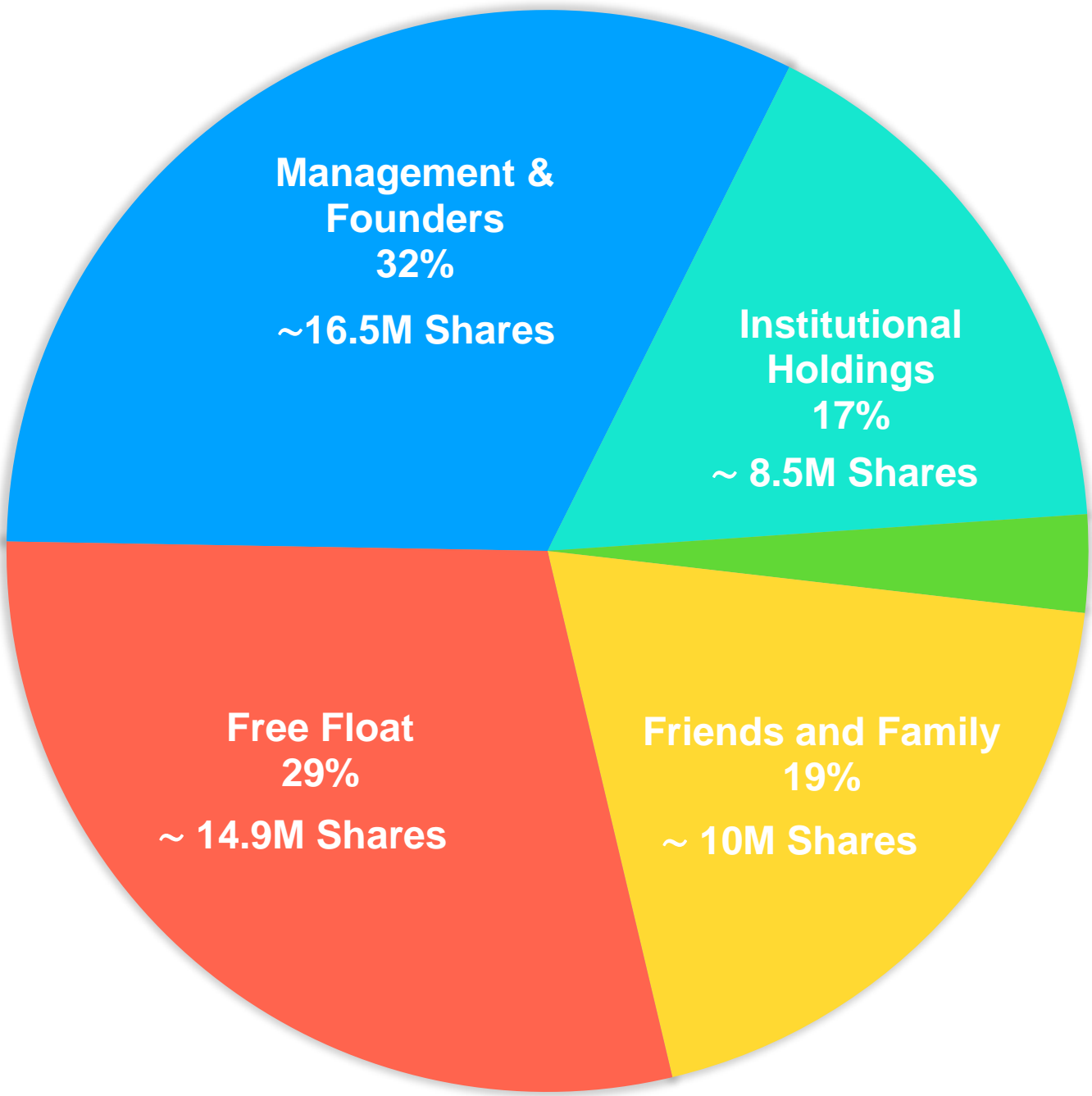
# Capitalization Table, Shareholder Structure & Selected Investors

(as of June 30, 2024)

	Percent Approx.
Management & Founders	32%
Institutional Holdings	17%
Strategic Investors (Retail - Yochananof)	3%
Friends and Family (Concentrated Positions)	19%
Free Float	<u>29%</u>
Total	100%



Strategic Investors  
(Yochananof)  
3%  
~ 1.5M Shares



Capital Invested	~\$60M USD
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# Listed Competitors




In mid 2020 Amazon launched their smart cart – Dash Cart.  
Recently announced a shift of focus from just pay and go technology to Their Smart Carts




In 2021,  
Instacart purchased Caper,  
a smart-cart company  
with no sales, for **\$350M**



# Competitors Comparison

	Cust2Mate	Caper	Amazon Dash Cart
Significant Revenues from Sale of Carts to Grocery Chains	✔	✘	✘
Retrofits Existing Carts	✔	✘	✘
Detachable Control Pannel	✔	✘	✘
Data Collection, Data Analytics & Retail Media (Smart Targeted Advertisement)	✔	✔	✔
Independent Smart Cart Solution Provider	✔	✘	✘
Light Weight Maneuverable and Easy to Handle Carts	✔	✘	✘
Extra Large 13.3"Screen	✔	✘	✘
Security Scale	✔	✔	✘
Credit Card PinPad	✔	✔	✘
Computer Vision + AI	✔	✔	✔





# Highlights

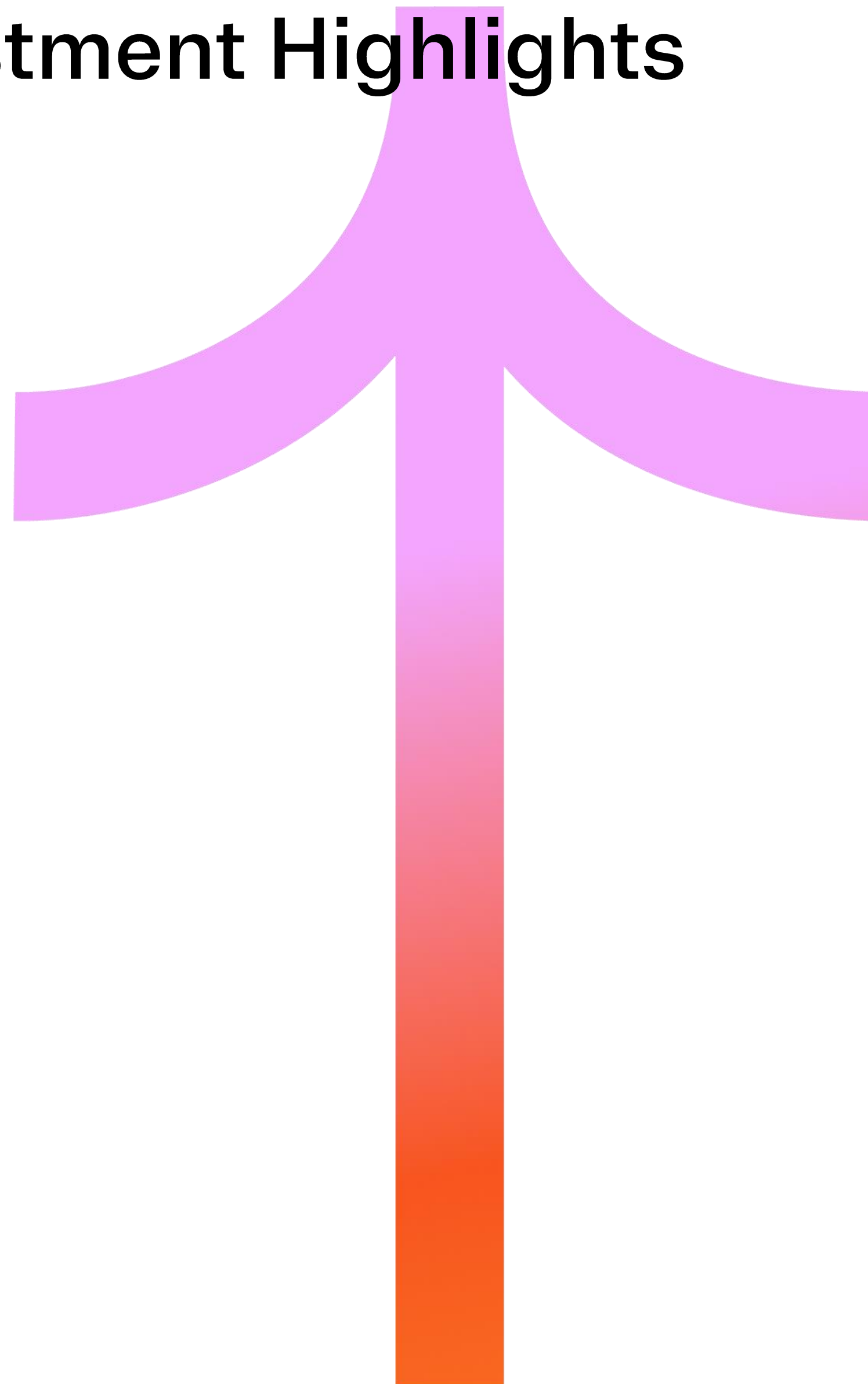
## Cust2Mate is designed to transform any traditional shopping cart into a smart cart

- Carts deployed in multiple retailers in 4 continents.
- Backlog of thousands of carts and an additional tens of thousands in framework agreements.
- Transition to SaaS model: Minimal upfront payment with multiyear subscription agreement. Monthly subscription fee includes SW updates, SW & HW support and maintenance.
- Carts to be mass manufactured by Tier 1 Turn-Key contract manufacturers, providing economies of scale, expertise and flexibility.
- Seeking to fund manufacturing at scale by Asset Based Financing lenders against orders.
- Additional revenue stream opportunities:
  - Retail Media
  - Big Data Analytics
  - Third Party applications





# Investment Highlights



## Why to invest in A2Z Cust2Mate?

- **Huge Potential** as a large addressable market of tens of millions of shopping carts **worldwide**.
- **Best in class** platform with early mover advantage.
- **Proven Technology** - Orders and delivery already underway to leading retailers.
- **A2Z's platform is the ultimate instore delivery system.**
- Leading retailers such as Walmart, Carrefour, Lidl Swartz among others have identified retail medias as the new frontier in retail.
- **Big Data, AI & Retail Media** (Smart Targeted Advertising) capability.

# Experts - Quotes from Industry leaders:



“The shopping journey isn’t linear, making omnichannel connections even more critical to brands,” wrote Rich Lehrfeld, SVP and general manager, Walmart Connect, in a company blog post. “That’s why we continually explore new media experiences that both help marketers solve their needs across the entire funnel and are additive to the customer’s shopping journey.”\*

"Smart carts are so innovative, and because it helps revolutionize the shopping experience, AI-driven intelligent trolleys offer a solution for shoppers to skip long queues at checkout counters, potentially **becoming a game-changer** for supermarkets and grocery stores facing stiff competition from various retail formats eating into their market dominance over the years"[ John Harmon, Senior Analyst at Coresight Research]\*\*

\*<https://corporate.walmart.com/news/2024/04/01/how-walmart-connect-is-putting-walmarts-purpose-in-motion>

\*\*<https://www.forbes.com>

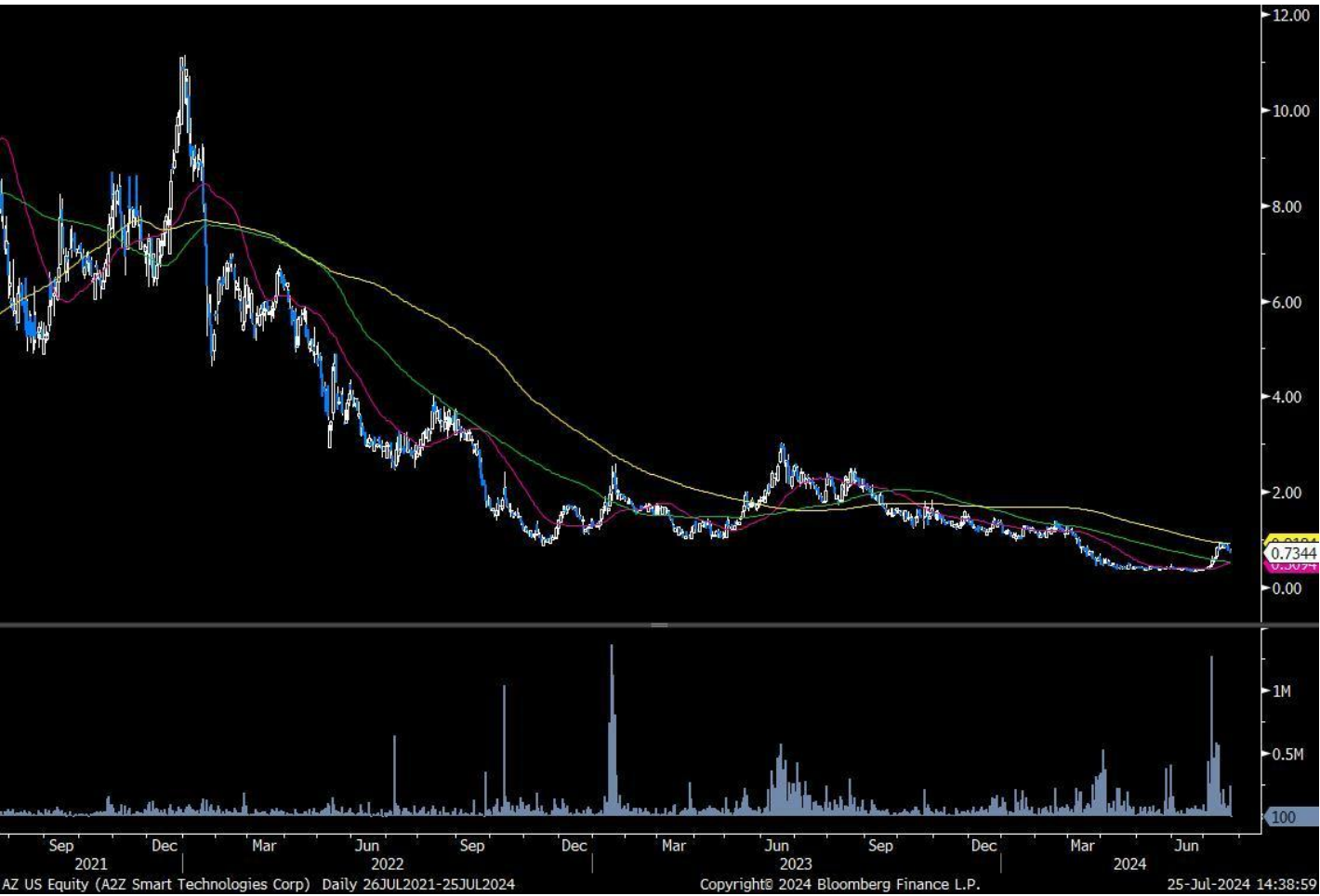
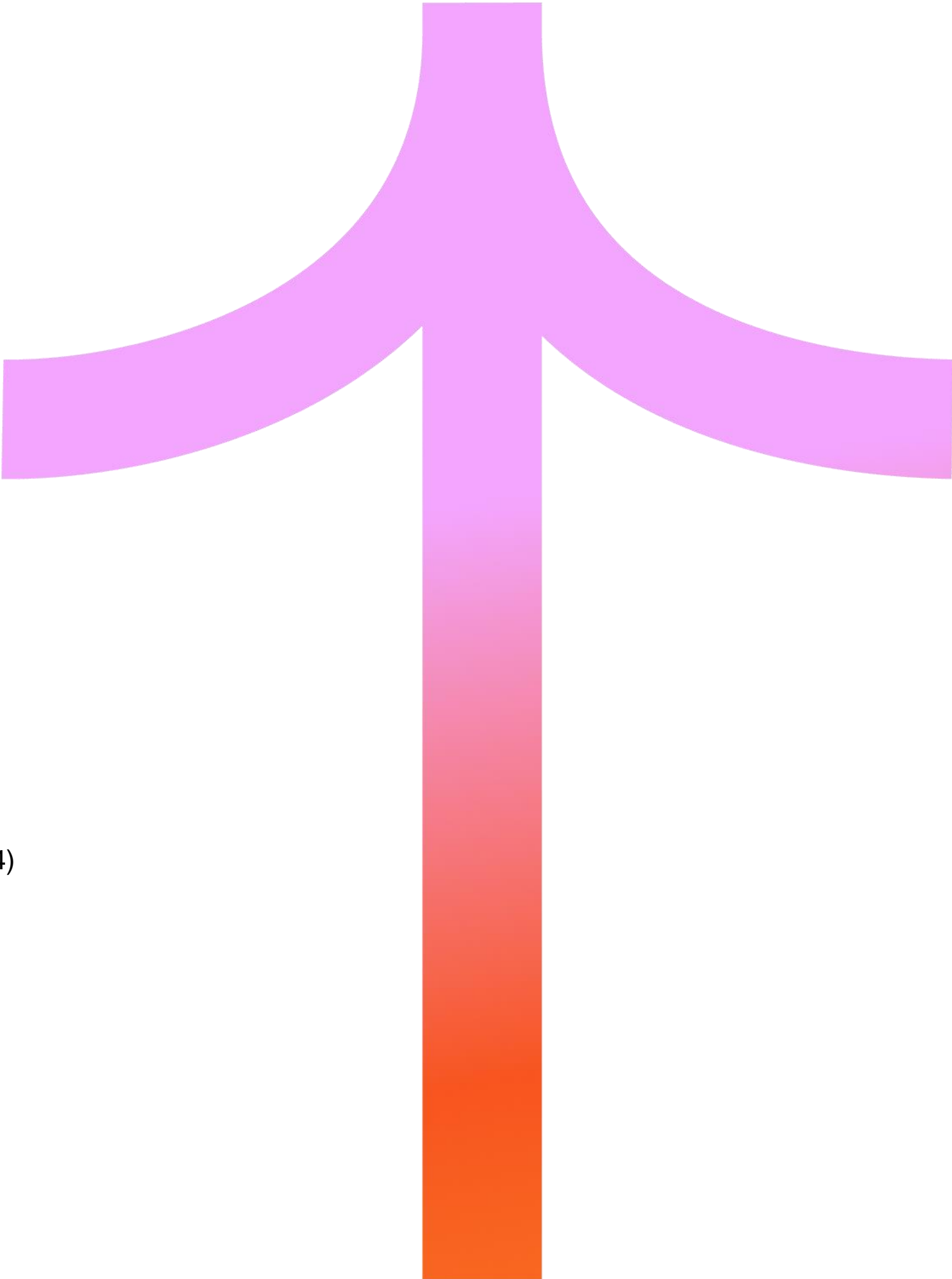




# Stock Information:

## Important basic data at a glance

Bloomberg ticker symbol	AZ:US
Reuters ticker symbol	AZ.O
WKN (Securities Code Number)	A3CSQ9
ISIN (International Securities Identification Number)	CA00249Q1005
Market Cap	\$40 Million (as of july 25, 2024)
Number of Shares Outstanding (registered)	51.420.682
Stock Category	No-par value per share
Stock Market Segment	NASDAQ
Listing	Frankfurt, FWB
Industry group	Technology





# Contact us



## CORPORATE CONTACT

### Company

[Info@a2zas.com](mailto:Info@a2zas.com)

## RETAIL PARTERSHIPS

### Gadi Graus

CEO

[gadi.g@a2zas.com](mailto:gadi.g@a2zas.com)

## MEDIA/PRESS CONTACT

### A2Z Mediaroom

[pr@a2zas.com](mailto:pr@a2zas.com)

## INVESTOR RELATIONS:

### John Gildea

VP of Corporate Communications

[John@a2zas.com](mailto:John@a2zas.com)

Nasdaq: AZ

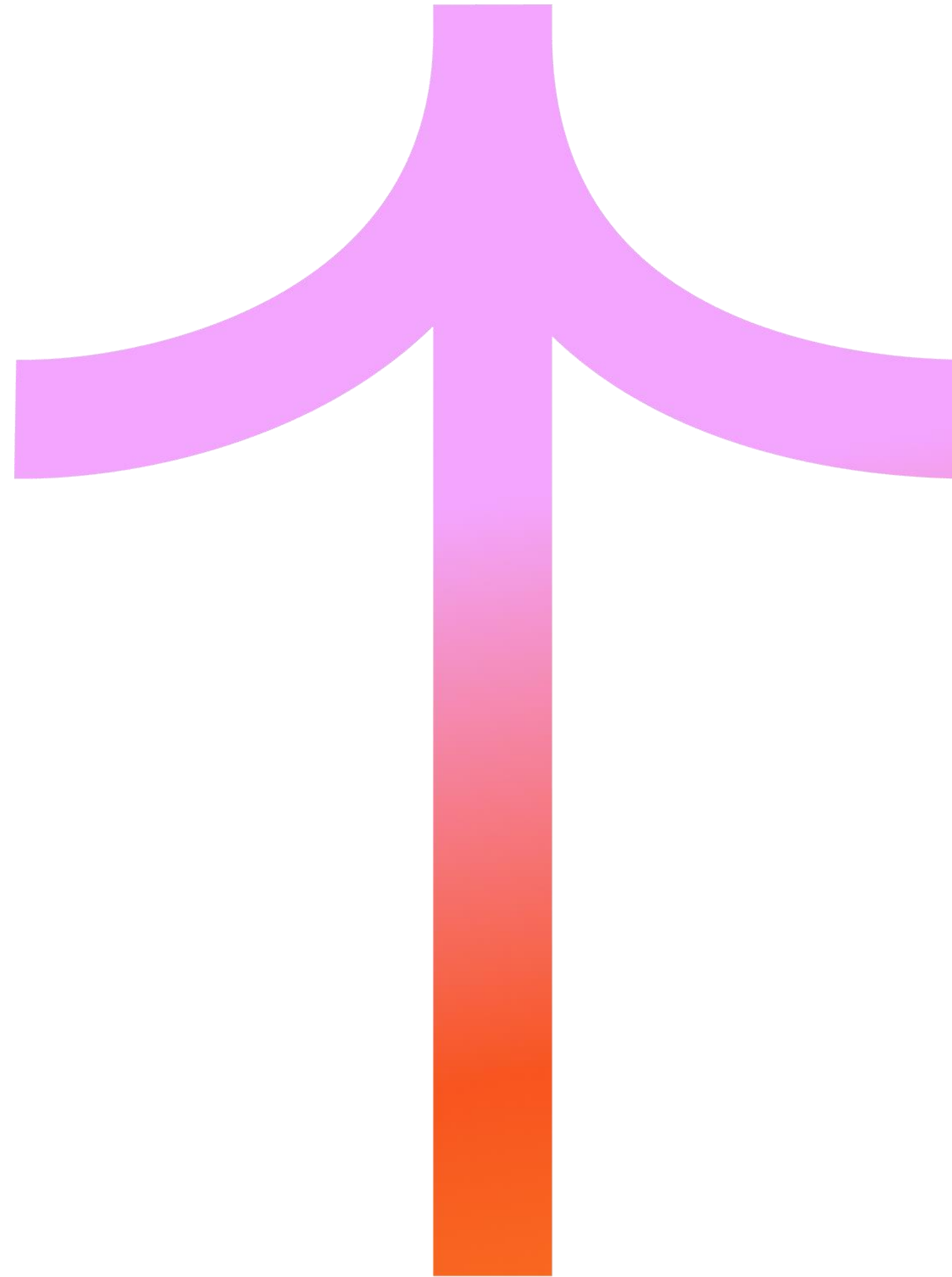
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# Thank You!

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[www.a2zas.com](http://www.a2zas.com)



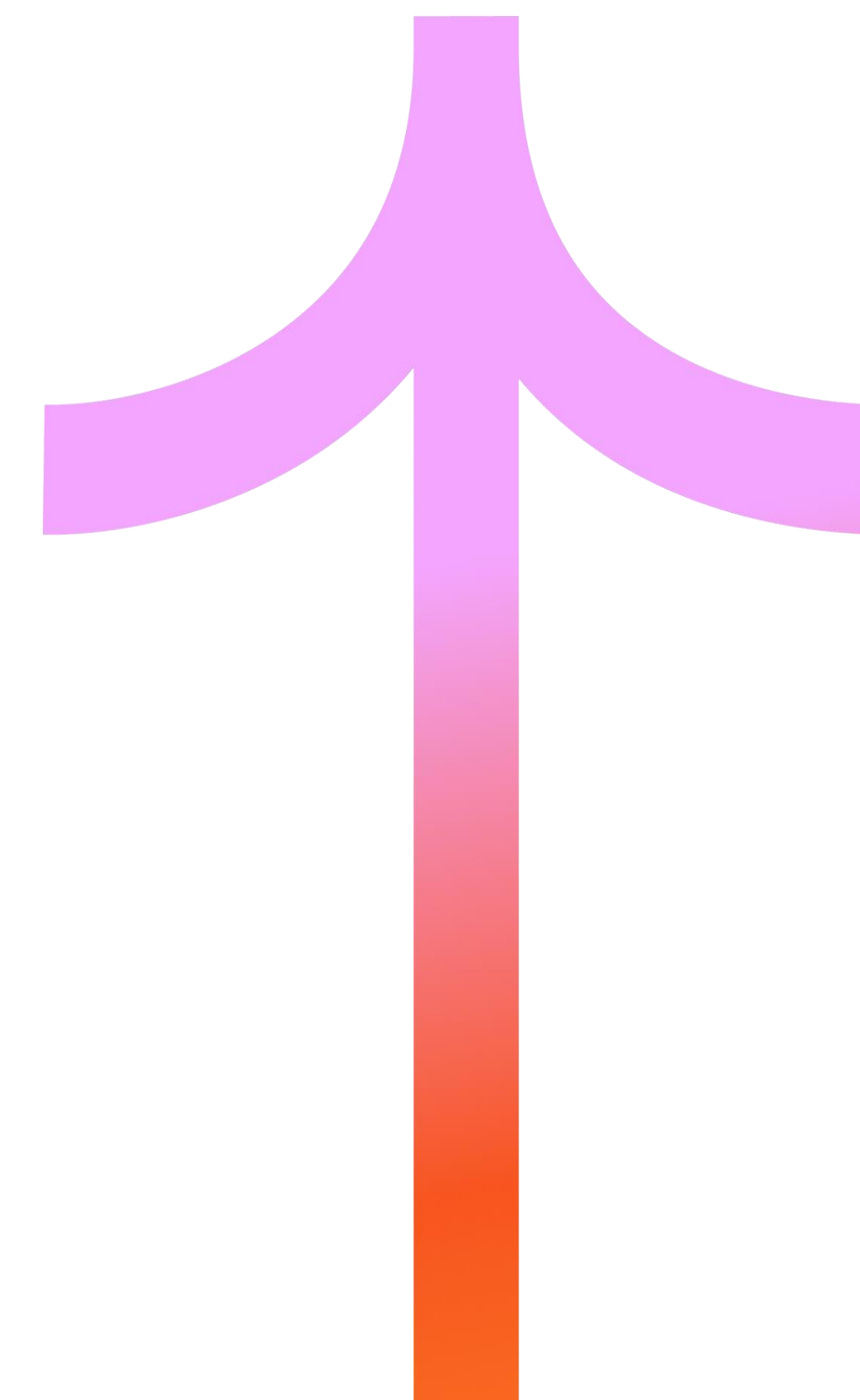
# Appendix:





# Summary Statement of Operations - Highlights

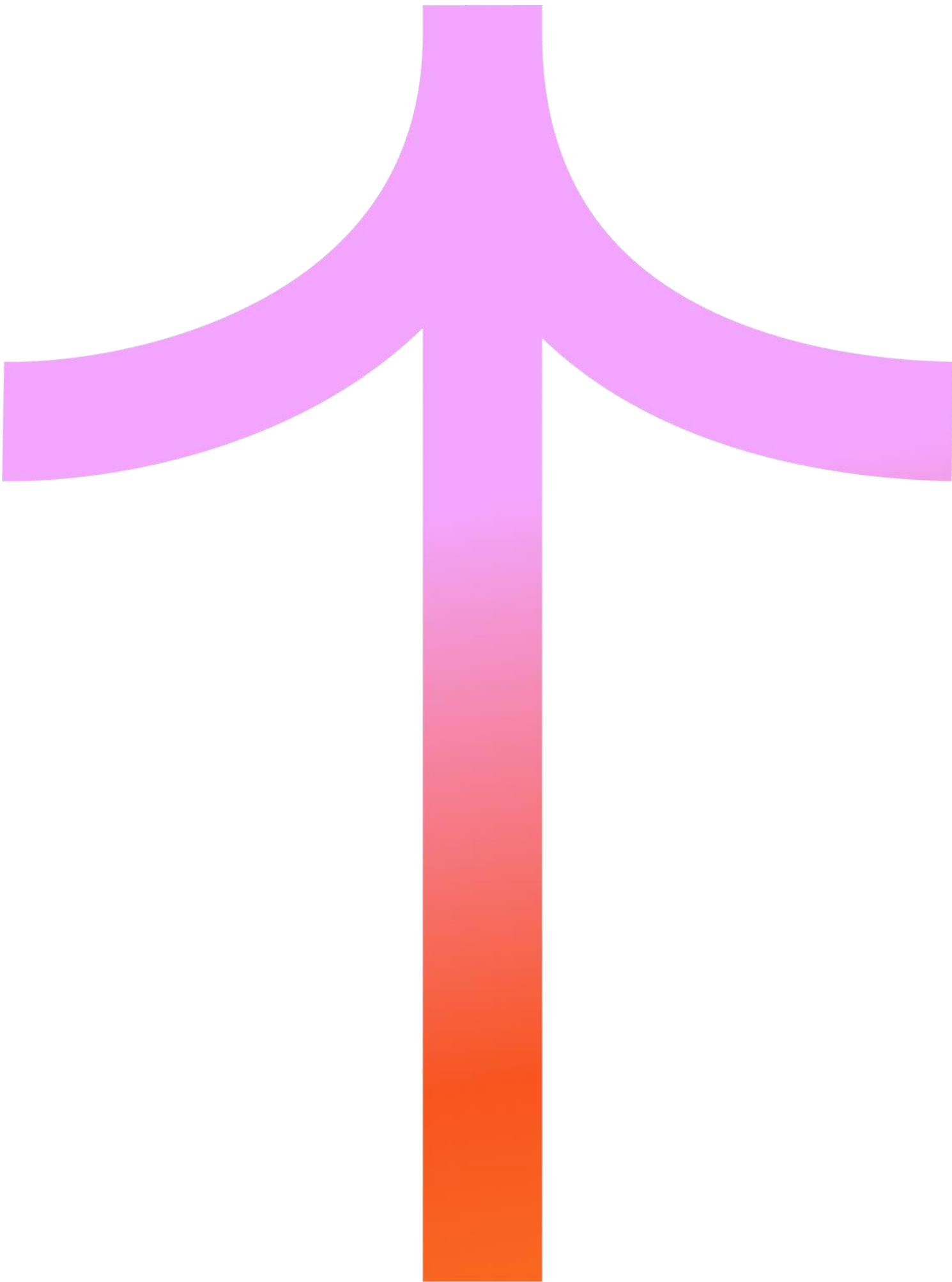
(\$ ,000)	Year ended December 31, 2023	Year ended December 31, 2022	Year ended December 31, 2021
Revenues	\$11,375	\$9,351	\$2,685
Cost of Revenues	\$9,382	\$7,517	\$2,029
Gross Profit	\$1,993	\$1,834	\$656
Operating Profit (Loss)	(\$17,928)	(\$16,702)	(\$9,162)
Net Profit (Loss)	(\$18,078)	(\$18,347)	(\$40,290)





# Capitalization

Capitalization Table	As of July 28,2024
Common Shares	51,420,682
Warrants (Weighted Average Exercise Price\$2.46)	12,593,241
Employee Stock Options (Weighted Average Exercise Price \$1.95)	3,543,719
RSUs(Restricted Stock Units - Employee Stock Grants)	1,472,084





# Balance Sheet

Balance Sheet (\$ ,000)	As of December 31, 2023
Cash and Cash Equivalents <sup>1</sup>	\$2,267
Total Current Assets	\$4,731
Total Assets	\$8,519
Total Current Liabilities	\$5,632
Total Liabilities <sup>2</sup>	\$10,828
Stockholders' Deficit	(\$2,309)

1. In January 2024, the Company completed a \$2.9 million registered offering, after fees. In April 2024, the Company completed a \$3.3 million registered offering and a \$2.4 million restricted stock offering
2. Includes approximately \$3 million in non-current warrant liability

