



High Level Overview- March 2019



THE INTELLIGENCE **ON** THINGS

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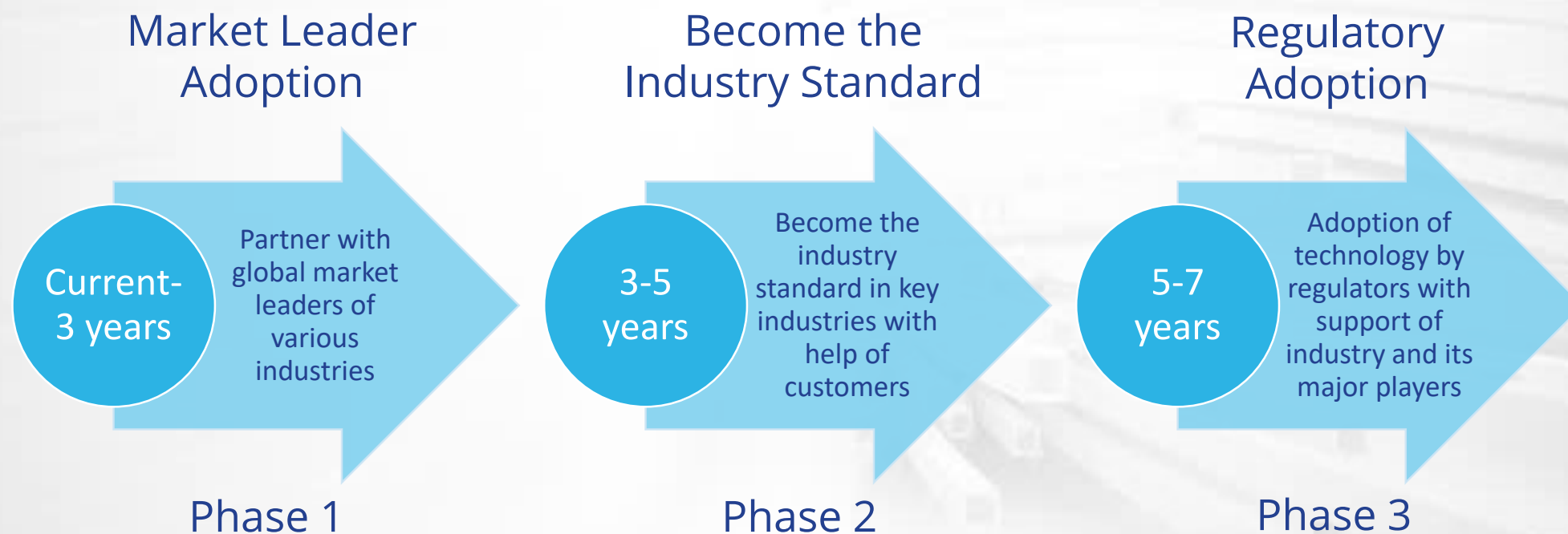
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Our offer

Resilient **Physical** Marking & Tagging
With Embedded
Digital Twin Blockchain

Strategy

Our strategy is to identify & service market leaders across sectors, providing a white label solution to solve brand owner issues away from public attention.



Activity update- 5 months from IPO

- ✓ Acceptance into **Intel's Ingenuity Partner Program (IPP)** validates SMX's technology and provides an opportunity to build relationships with Intel and other technology companies
- ✓ Security Matters has **filed a Patent application** relating to detection of **plastic contamination** within crops
- ✓ Signed proof of concept project with **Hazera Seeds** ('Hazera') to embed ecological markers into seeds
- ✓ Memorandum of Understanding (MoU) signed with leading Israeli **animal feed supplier; Ambar**, to commence a proof of concept project
- ✓ **New hires** to the team strengthen R&D capabilities
- ✓ SMX signs an exclusive development and supply agreement with **medicinal cannabis distributor, CliniCann**, to provide its proprietary brand protection and authentication technology
- ✓ Phase II testing of SMX's **seed authentication** solution has completed successfully,
- ✓ SMX successfully create a new global standard for the **technology components, systems and devices** industry by completing tests concluding it can prevent brand, supply chain and manufacturing liability

Company Videos



Company Videos



SECURITY MATTERS

The Big Stones

1

KafritGroup

Plastic

2

CROSSWORKS
manufacturing

Diamonds

3

intel
Intel® INGENUITY
PARTNER PROGRAM

Electronics & Silicon wafer manufacturing

4

BASF
We create chemistry

Protecting proprietary raw materials

5

THE PERTH MINT
AUSTRALIA

Gold



**SECURITY
MATTERS**



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Activity update- 5 months since the IPO

- Acceptance into Intel's Ingenuity Partner Program (IPP) validates SMX's technology and provides an opportunity to build relationships with Intel and other technology companies
- SMX is one of 12 companies accepted into the Program based in Israel for start-up companies with innovative and disruptive technology
- The Program acts as a forum for companies to explore the future of technology and provides the opportunity to develop products and concepts
- Provides an opportunity to utilise one-on-one guidance with Intel's technical experts to improve SMX's products and develop its technical offering

Patent application for agriculture sector

- Security Matters has filed a Patent application (US Provisional Application No. 62/747,293) relating to detection of plastic contamination within crops
- The technology will be used to mark plastic and agricultural products such as nets, films and packages for accurate identification at a later date
- Plastic pollution of farmland and agricultural produce is a global problem with between 100,000 and 700,000 metric tons of microplastic added annually in North America and Europe alone
- The technology identifies the source and type of plastic contamination in the crop, enabling extraction and prevention

Pilot agreement in Seeds market

- Signed proof of concept project with Hazera Seeds ('Hazera') to embed ecological markers into seeds
- Hazera is a leading player in the agriculture industry, headquartered in Israel and The Netherlands with subsidiaries in 12 countries, servicing over 100 markets
- A successful project will enable Hazera to track and trace its seeds throughout the sale and distribution process, providing additional brand and product protection
- All results and conclusions of the project will remain the property of Security Matters
- Partnering with Hazera cements SMX's exposure in the agriculture industry and supports its growth strategy of generating a global footprint

Pilot agreement with leading Israeli animal feed supplier

- Memorandum of Understanding (MoU) signed with leading Israeli animal feed supplier; Ambar, to commence a proof of concept project.
- The project will explore how SMX's disruptive technology can be incorporated into Ambar's supply chain to ensure quality, integrity and authenticity
- SMX's solution will enable authentication of the feed, counterfeit detection and enable high levels of quality assurance throughout the production process
- This and other agriculture projects demonstrate the Company's growing footprint within the food safety sector and support for its farm-to-plate business model

Global Animal feed market

US\$ 18.5B

New hires to the team strengthen R&D capabilities



Gal Shmueli
CTO

- Will be leading the development of SMX's Blockchain and cyber applications
- Over 25 years of cyber research and development experience
- Held positions of Head of Department and Chief Research Officer within the cyber and software development departments in the Israel Defence Force.
- Consultants and supervisor of cyber and machine learning initiatives conducted by the World Bank and Inter-American Development Bank



Nataly Tal, Ph.D.,
Head and Manager of R&D Department

- Responsible for management of Physics Department team, including R&D and customer facing projects
- Experienced researcher and manager in the private sector



Tehila Nahum, Ph.D.,
Head of Polymeric Solution Department

- Responsible for the development of chemical Markers for polymeric solutions
- Ph.D. from the University of Massachusetts
- Research experience in Israel and the US



Hagit Sade, Ph.D.,
Head of Physical Chemistry application

- Responsible for analysis of physical data for internal and external R&D projects
- Ph.D. from Bar-Ilan University
- Brings commercial as well as academic data analysis experience

Exclusive agreement for medicinal cannabis industry standard

- SMX signs an exclusive development and supply agreement with medicinal cannabis distributor, CliniCann, to provide its proprietary brand protection and authentication technology for medicinal cannabis packaging
- CliniCann is building a multi-national medical cannabis distribution business covering the UK, Asia-Pacific and South America
- It has distribution rights for pharmaceutical grade products manufactured by German medical cannabis company HAPA Medical
- SMX's technology provides a solution that protects the integrity and authenticity of medicinal cannabis market and provides an additional layer of safety

Phase II seed solution testing successfully completed

- Phase II testing of SMX's seed authentication solution has completed successfully, supporting SMX's farm-to-plate growth strategy and propelling it towards full commercialisation of its agricultural offering
- Positive results were confirmed by an independent external expert and prove SMX's innovative technology can be successfully incorporated into seeds during the entire process cycle with no impact to the quality or process cycle
- Phase III testing is expected to commence in Q2 2019 and is expected to successfully complete in June 2019
- Completion of Phase III testing will symbolise the Company's full agricultural commercialisation and revenues are expected to be generated immediately after completion

Successfully marking electronic components

- SMX successfully create a new global standard for the technology components, systems and devices industry by completing tests concluding it can prevent brand, supply chain and manufacturing liability
- Extensive testing confirms SMX's is the first and only technology able to be flexibly and fully incorporated into production processes in order to mark, track and authenticate electronic systems and components
- This supports and validates SMX's tech focussed sand-to-silicon and component-to-system-and-system of system growth strateg
- As part of the Intel IPP delegation, SMX will attend the 4YFN 2019 conference in Barcelona to present its methodology, conclusions and technology implementation procedures to tier-one technology companies