

ASX Announcement 23 July 2020

Halo completes further Certification and moves from trial phase to commercialization

Highlights

- Elsight receives full FCC certification (Grant of Equipment Authorization, Part 15, Class B
 Digital Device) further to FCC SDOC announced last week
- Following certifications and a number of successful on-site trials, ELS now shifts its focus to larger scale projects
- Certification is based on the newly adapted and ultimate version of Halo which is scheduled for completion on 1st August, 2020

23 July 2020 – Elsight Limited (ASX: ELS) ('Elsight Ltd, 'Elsight' or 'the Company'), an ASX-listed company that develops advanced communication technologies for real-time data, video, and audio transmission over cellular networks in mission-critical environments, today announced a further level of FCC certification (beyond the SDOC - Supplier's Declaration of Conformity) and as a direct result, the conclusion of two new deals in Indonesia, and the Netherlands, signifying Halo's first post certification orders as an indication of Halo's readiness to enter the market on a larger commercial scale.

Since the initial release of Halo on Nov. 24th, 2019, the Company has focused its efforts on preparing Halo for the various markets while improving its performance and adding needed capabilities through extensive development effort. Notwithstanding the current challenging environment, including restrictions on travel and personal contact, the Company and its customers have completed more than 15 extensive POCs and over 2,000 flight hours on various platforms in various geographies, including but not limited to USA, Singapore, and others. The trials covered the following main areas:

- Drones and robotics
- Command post vehicle/command & control vehicle backhauling
- Rural communication and upgrade of corporate networks in remote rural areas (USA and India)
- Telemedicine and remote paramedics and nurses' solutions (France)
- HLS applications in various countries

The completion of these rigorous tests and trials coupled with the Company now being equipped with needed certifications, including the FCC SDoC¹ described in our previous announcement as well

¹ **SDoC - Supplier's Declaration of Conformity** is an interim stage of FCC certification, stage where Elsight is declaring its conformity with the FCC requirement based on a regiment of lab tests by an independent lab, and supported by the FCC certification of various independent radio components used on our platform



as the full FCC certification now mean that Elsight is well positioned to translate this effort into a new, more mature level of commercial success with corresponding deal values.

Since the November 2019 release of Halo, the Company has received significant feedback from selected trusted customers who have used and tested Halo intensively. Due to the need to adapt and introduce a series of improvements, including bug fixing and additional features and capabilities, 18 documented versions and subversions of Halo's software have been developed with the new version scheduled for release on 1st August. This new version is expected to lead to shorter POCs, simpler installations, faster production and distribution of larger quantities of Halo. In addition, as a result of the effectiveness of the new version and its demonstrated reliability, the Company has started to receive repeat orders.

With the certification process and trials necessary for commercialization now completed, Halo's newfound readiness to enter the market was yesterday validated by a modest \$124,000 USD order from PT. Adhimatratama (www.adhimatratama.co.id) as well as an order from Height Technologies (www.heighttech.nl) of the Netherlands, a multi-brand UAV technology integrator-partner of Unmanned systems and components. While these may not be material orders in dollar terms, they are important in demonstrating the immediate impact of the certifications as well as the success in new countries and market segments for the Company. We also expect repeat business to come from these as well as other customers.

During H2/2020, the company is planning a special focus on the American drone and telemedicine markets in light of the special challenges of COVID-19 pandemic, especially in remote and rural areas of the US where hospitals and medical services are often less available.

Nir Gabay founder and CEO of Elsight said, "The foundation of a company is its most important part. Upon re-evaluating the quality of our foundations, the decision was made to invest significant time and effort into strengthening our technological advantage and quality. I am pleased to announce that after much hard work, as a company, we now are standing on much more solid ground which will support our vision for the distribution of Halo on a far larger commercial scale"

Authorised for release by the Board of Directors of Elsight Limited.

-ENDS-

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About Elsight

Elsight (www.elsight.com) is a solution provider of ground-breaking hybrid video and data transport services (on-the-move or fixed) for large Safe-City projects, sensitive facilities management, and surveillance and protective activities. The platform supports data and video capturing, recording, and highly secured transmission against data and video interception and hacking. Elsight's platform was designed to address the most demanding requirements of Special Forces across enemy lines and sophisticated intelligence organizations. These systems underwent the most rigorous testing in combat situations as well as extensive testing by the most demanding laboratories. As a result, they present an unmatched level of reliability, lowest latency, and highest adaptive bandwidth over cellular networks that enables HD and 4K TV transmission quality, with "never-fail" redundancy and much more. For the first time they offer strict military requirements for civil usage. Elsight's customers range from defense and homeland security to industrial security, broadcasting, first responders and healthcare.