

# A2Z Smart Technologies Announces Corporate Update



NEWS RELEASE BY A2Z SMART TECHNOLOGIES CORP.

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**A2Z Smart Technologies Corp.** ("A2Z") ("Company"), (NASDAQ: **AZ**) (TSXV: **AZ**), today announced a corporate update:

## General

A2Z is focused on its transition from a research and development company to a full-to-market product company, delivering cutting-edge solutions to clients worldwide. With our recent achievements, including mass manufacturing capabilities and a strong leadership team led by Guy Mordoch CEO of its Cust2mate smart cart business, A2Z is experiencing increasing growth in the number of smart carts ordered and in the number of chains ordering our smart carts.

## Update re Yochananof:

A2Z recently announced that further to the existing purchase of 1,300 Smart Carts from the leading grocery chain Yochananof for aggregate revenues of approximately NIS 35 million (~USD\$ 12.0 million; ~CAD \$13.8 million), Yochananof informed the Company of its intention to purchase up to an additional 1,700 of the Company's new generation smart carts. This expansion is a testament to the success and effectiveness of the Cust2Mate smart cart solution, which has significantly improved customer satisfaction and loyalty, and revenue for Yochananof. The increased order reflects Yochananof's confidence in the technology and its commitment to enhancing the shopping experience for its customers.



## A2Z RECEIVES LOI FOR PURCHASE OF 1,700 SMART CARTS

adding to the 1300 carts this company already purchased. The retailer stated this purchase was made to address customers' demand for the carts in stores.



A2ZAS.com **NASDAQ: AZ** TSX: AZ  
www.Cust2Mate.com

### **Update re New Client Hastock:**

HaStok Concept Ltd. ("Hastok"), one of Israel's leading home design and household essentials chain with 40 stores across the country, has partnered with Cust2mate for the order of 1,000 smart carts. The partnership marks a significant expansion for A2Z's smart cart solution into a new vertical outside of grocery retail. The order is comprised of an upfront payment, a guaranteed monthly payment, and a revenue share agreement on added value solutions, such as advertising. The collaboration with Hastok demonstrates the growing demand and value of the Cust2Mate smart cart solution.

### **Business Model:**

A2Z Smart Technologies Corp is undergoing a significant shift in its business model to enhance flexibility and provide greater value to clients. While the outright purchase of smart carts has been the traditional approach, we are introducing a subscription-based model to offer clients a more cost-effective and customizable solution. Under this model, clients will have access to our smart carts on a multiyear subscription basis, paying a one-time upfront fee along with monthly charges which will also cover hardware and software maintenance, service, and updates. The length of the subscription period will be tailored to each client's unique requirements. This transition allows us to retain ownership of the smart carts, lower manufacturing costs, and generate steady revenue growth as the installed base expands.

Furthermore, our smart carts serve as a digital services platform, acting as a marketplace for retail-directed apps and services. With integrated touch screens and real-time data,

our Cust2Mate smart carts can provide shoppers with valuable information, including purchase details, ingredient listings, allergy information, and in-store navigation. Simultaneously, stakeholders such as retailers, manufacturers, advertisers, and third-party service providers can leverage this platform to deliver personalized promotions, advertisements, e-coupons, and other digital services directly to shoppers at the point of decision-making. By sharing revenues with these stakeholders, we create a win-win situation, fostering increased revenue streams for all parties involved. We anticipate that digital revenues from the Smart Cart Marketplace will grow substantially, enabling us to reduce the net cost of our smart carts for retailers while delivering added value to shoppers, retailers, and manufacturers.

In addition, in many instances the retailer presently has limited information regarding the actions and decisions of the shopper until the actual time of payment. We are developing software for our smart carts to generate a wealth of data on such shopping behavior which can be mined, analyzed and monetized through data as a service or product offerings tailored to each of the stakeholders in the retail industry.

### **Pilot Updates**

Cust2Mate has successfully initiated working pilots across multiple continents, showcasing the global reach and versatility of our smart cart solution. These pilots have been deployed in various locations, including the US, Mexico, the middle east and leading retailers in Europe. These pilots have demonstrated impressive performance and achieved notable successes.

### **Outlook:**

Bentsur Joseph, CEO of A2Z sated "we believe that several of these pilots will turn into roll-outs and that we are poised for continued growth and success as a leading provider of smart cart solutions in the retail industry. With our innovative technology, new generation carts, expanding customer base, and strong market presence, the company is well-positioned to meet the increasing demand for seamless and personalized shopping experiences. A2Z remains committed to driving further expansion, delivering exceptional value to its clients, and generating sustainable long-term growth and profitability."

### **Growth and Financial Results:**

"We are thrilled to have turned the corner from being primarily a research and development company to becoming a full-to-market product company," said Bentsur Joseph, CEO of A2Z. "Our growth and recent achievements are a testament to the dedication and hard work of our team, as well as the tremendous market potential for our Cust2Mate smart cart solution. We are proud to deliver innovative technology and

hardware solutions to clients worldwide, transforming the retail industry and enhancing the shopping experience." He continued to state: "Our financial results are growing significantly, we are pleased to report strong financial performance for the first quarter of 2023. Q1 Revenues reached \$4,608,000, representing a 318% increase from \$1,446,000 during the same period the previous year. Gross profit for Q1 amounted to \$1,021,000, a significant 370% increase from \$276,000 during the same period of the previous year."

## **Leadership**

Leading the charge at Cust2Mate is CEO Guy Mordoch, a highly accomplished leader with a prestigious resume in operational growth. With over 25 years of experience in multi-industry and global leadership roles, Guy has a proven track record of building and transforming businesses, creating scalable infrastructure, developing innovative products and solutions, and penetrating new markets. Commenting on his role, Mordoch stated, "My objective as CEO of Cust2Mate is to lead the company as the dominant provider of smart cart, digital and data solutions to the global retail industry. I am excited about the tremendous growth opportunities ahead of us and the positive impact our solutions have on both retailers and consumers."

Recent \$AZ Press Releases:

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- [A2Z Smart Technologies Launches Revolutionary Modular Smart Cart for Global Retail - \*\*READ MORE\*\*](#)
- [Cust2Mate, A2Z Smart Technologies Subsidiary, Appoints Guy Mordoch as CEO - \*\*READ MORE\*\*](#)
- [A2z Cust2mart, A Leader In Smart Cart Technology Announces Successful Trial Of Computer Vision Product Recognition Solution \*\*READ MORE\*\*](#)
- [A2Z Partners with HaStok to Deploy 1,000 Smart Carts to their 40 Locations Nationwide \*\*READ MORE\*\*](#)
- [A2Z Smart Technologies Continues Rollout of Cust2Mate Smart Carts to Yochananof Supermarkets \*\*READ MORE\*\*](#)
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## **About A2Z**

A2Z Smart Technologies Corp. creates innovative solutions for complex challenges. A2Z's flagship product is an advanced proven-in-use mobile self-checkout shopping cart. With its user-friendly smart algorithm, touch screen, and computer-vision system,

Cust2Mate streamlines the retail shopping experience by scanning purchased products and enabling in-cart payment so that customers can simply "pick & go", and bypass long cashier checkout lines. This results in a more efficient shopping experience for customers, less unused shelf-space and manpower requirements, and advanced command and control capabilities for store managers.

Contact Information:

Hanover International Inc.

**[Jh@hanoverintlinc.com](mailto:Jh@hanoverintlinc.com)**

(1) 760 564 7400

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SOURCE: A2Z Smart Technologies Corp.

### Contact Details

Hanover International Inc.

+1 760-564-7400

Jh@hanoverintlinc.com

## Company Website

<https://a2zas.com/>

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