



Investor presentation

IPO April 2021



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Presenters



Eli Grinberg
CEO and Co-founder



Amit Shvartz
GM Scodix Israel
and COO

The Scodix Digital Enhancement

Accurate, patented Inkjet process to add **variable and personalized** special effects to:

- Packages
- Greeting cards, albums, business cards, brochures, books, invitation, calendars, and more

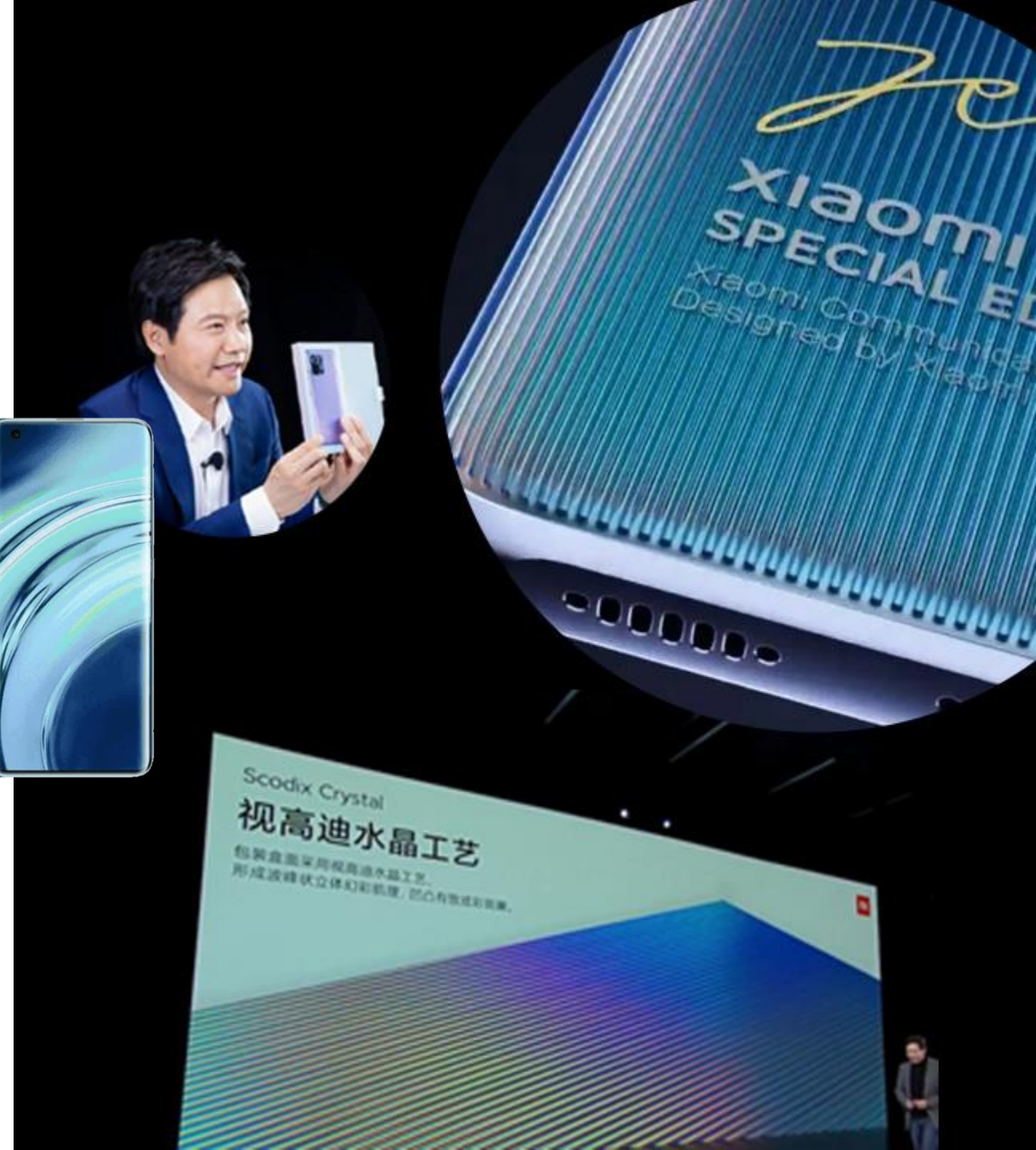


The Scodix vision coming to life on the new Xiaomi worldwide introduction

On December 28, 2020 , Xiaomi presented its latest smart phone, where the special edition is with **SCODIX CRYSTAL™ DIGITAL ENHANCMENT**

In honor of the company's founder, Lei Jun, the Special Edition includes the Lei Jun signature and a special aesthetic effect on the back cover. Under customary glass, ribbed materials across the back of the smartphone shimmer in different colors depending on how the light hits the glass. Xiaomi has simulated the dazzling effect on the smartphone packaging using Scodix Crystal.

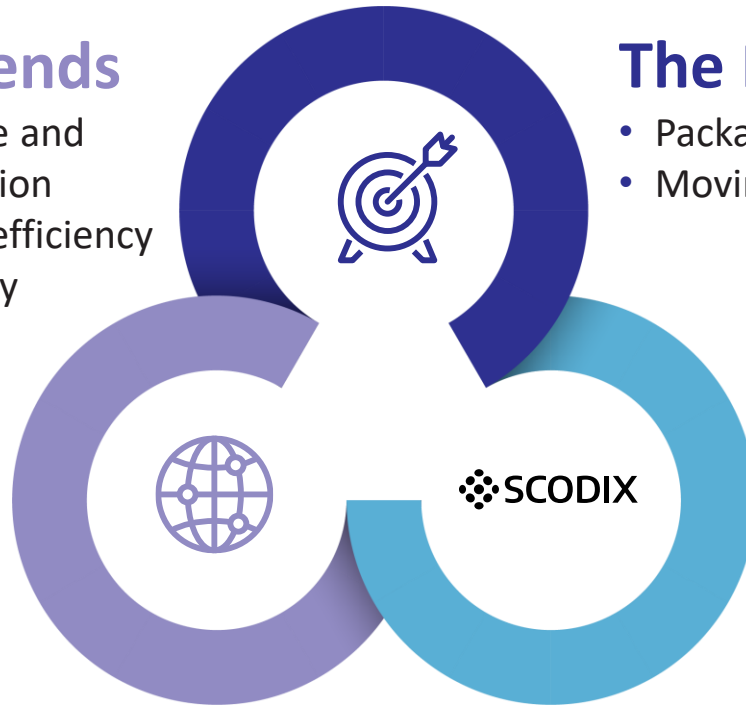
The Xiaomi MI 11 is the first [Snapdragon 888](#) Powered smartphone in the world and, as a flagship product for the company, packs a top-tier display, premium speakers, great cameras, and more.



The time is now

Mega Trends

- E-Commerce and personalization
- Production efficiency
- Sustainability



The Market

- Packaging is growing
- Moving to digital

Scodix

- Disruptive mature technology
- New products to address the packaging market
- 360 systems worldwide
- WW infrastructure
- Consumable business model
- Experienced management team



Targeting massive opportunity in the packaging market



Founded **2007**, Sales from **2011**



83 Employees



\$190M sales



41 patents, **10** patent families



Over 360 installation worldwide



Blue ocean, **\$10B** TAM



Strong **growing** recurring revenue



Green, **Disruptive** technology



The digital revolution in print



Management team



Eli Grinberg
CEO and Co founder



Dov Ofer
Chairman



Leading Investors:



Amit Shvartz
GM Scodix Israel
and COO



Guy Alon
VP R&D



Shahar Seidon
CFO



Nigel Tracy
VP BD & Marketing



Jason Rollo
President North America



Ziki Kuly
VP APJ & Product Marketing



Selected brands using Scodix

Apparel & Cosmetics



Automotive



Food & Beverage



Consumer Goods



Consumer Electronics

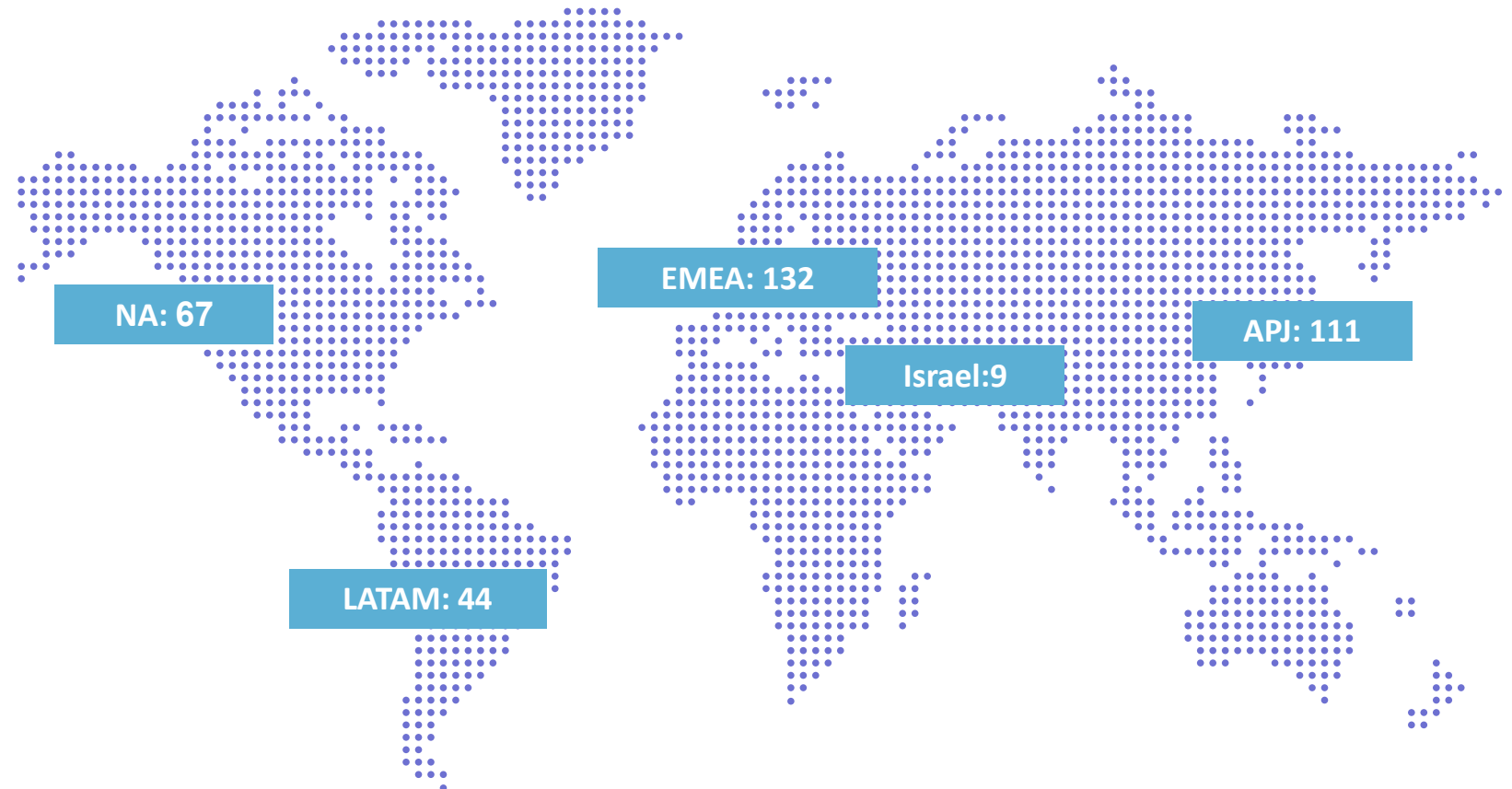


Over 360 systems worldwide

Go to Market:

Direct in North America
and major territories in
Europe

Chain of distribution
partners WW



WW infrastructure of sales, customer support and polymer sales

Scodix presses product offering



Commercial

Scodix Ultra 1000



Scodix Ultra 2000



Scodix Ultra 3000

Scodix Ultra 4000

Scodix Ultra 5000

Scodix Ultra 6000



E-Commerce



Packaging



The Scodix Ultra advantage:

- Fully digital – no tooling, close to zero setup, minimal waste with easy operation
- Automatic optical registration per sheet
- Variable and personalized printing support
- Variable Sheet size: up to 1060 X 760 mm, 1.5 m sheet pile height
- Substrate Range:
 - Wide range of paperboards 135 – 800 gsm
 - Wide range of plastic substrate and metalized boards
 - Works on offset, digital print, WB coating and a wide range of laminations
- Speed 1250 sheets per hour



Strong recurring revenue model: Polymers + Service



2020
\$7.2M

- Strong recurring revenue even during Covid-19
- All polymers are developed by the Scodix team of chemistry experts
- Manufactured in the Scodix Polymer Plant



Scodix technology

Unique inkjet, polymer and process technology, getting the worlds best:

- Fine details
- Variable enhancement
- Substrates
- Print Processes

IP – 41 patents from 10 patent families

Disruptive Eureka technology, to digitally print foil effect through Inkjet and process technology

Strong multi discipline skill set

- Chemistry
- Software
- Mechanics
- Electronics & Data path
- Ink jet process



Target markets



Packaging

Market Size:\$960B

2.8% Annual Growth

\$28B in 2024 digital printing

Scodix TAM: \$5B



E-Commerce print

Market Size:\$24B

5.1% Annual Growth

\$15B in 2024 digital printing

Scodix TAM: \$3B



Commercial

Market Size:\$270B

Stable

\$40B in 2024 digital printing

Scodix TAM: \$2B

The packaging market



Traditional industry on the move to digital



Annual industry growth of 2.8% through 2024



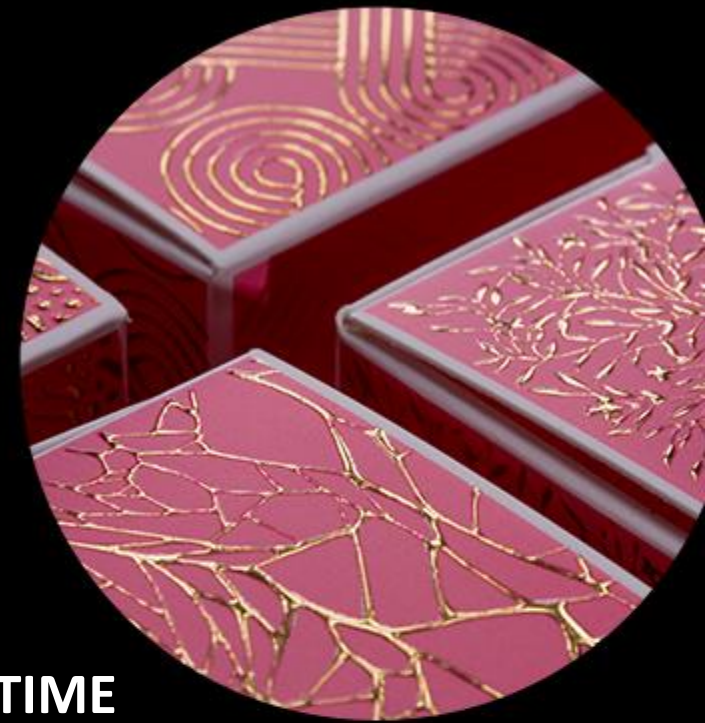
Digital print growing to 19.5% in 2024



50% of jobs are less than 6000 sheets



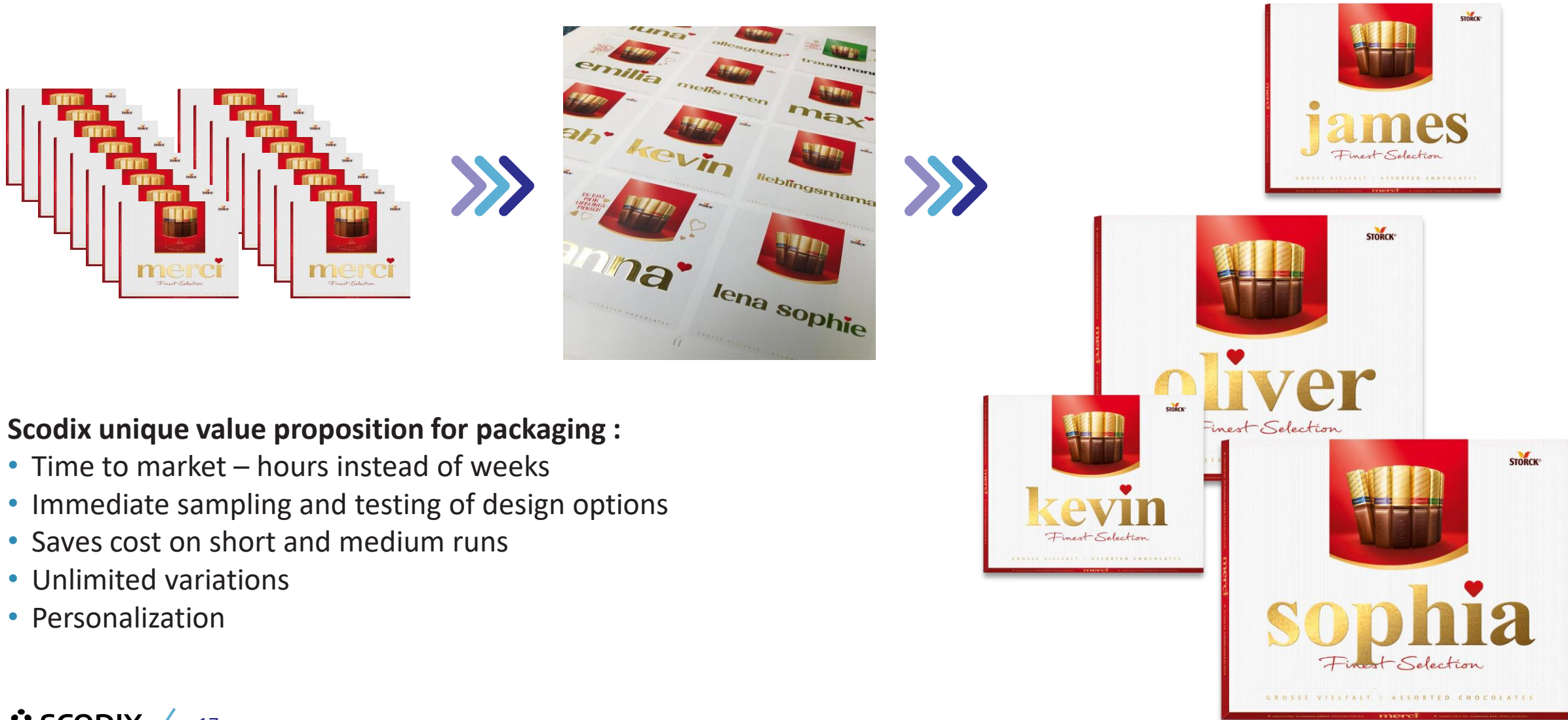
**NOW IS THE RIGHT TIME
TO ENTER THE MARKET**



The Future of Global Packaging to 2024, Smithers Pira, December 2019

Scodix in packaging

Mass production to mass customization and personalization



Scodix unique value proposition for packaging :

- Time to market – hours instead of weeks
- Immediate sampling and testing of design options
- Saves cost on short and medium runs
- Unlimited variations
- Personalization

E-Commerce print

E-Commerce in print includes: Greeting cards, photo albums, business cards, wedding invitation, save the date cards, and more

Scodix unique e-commerce value proposition:



Personalization



Time to market – immediate production



Automated workflow



\$ 138M Sales

“Scodix allows us to add the luxurious embellishments needed to make our customers feel that they’re producing something special. This level of enhancement is not something we were able to offer before with our online service. Personalization is an increasingly popular trend and one we know our customers love”



\$ 1980M Sales

“Partnering with Scodix is a natural way for us to offer cutting edge digital embellishments technology to our customers. We were thrilled to launch customizable foil as part of our Holiday card offering”



Over 50M Scodix Cards in 2020 Holiday Seasons

Commercial

Scodix unique commercial value proposition:



Add value to print products



Allow the commercial printer to charge more



Short run digital solution



Implemented on variety of products



Mega trends driving Scodix success



Production Efficiency



E-Commerce

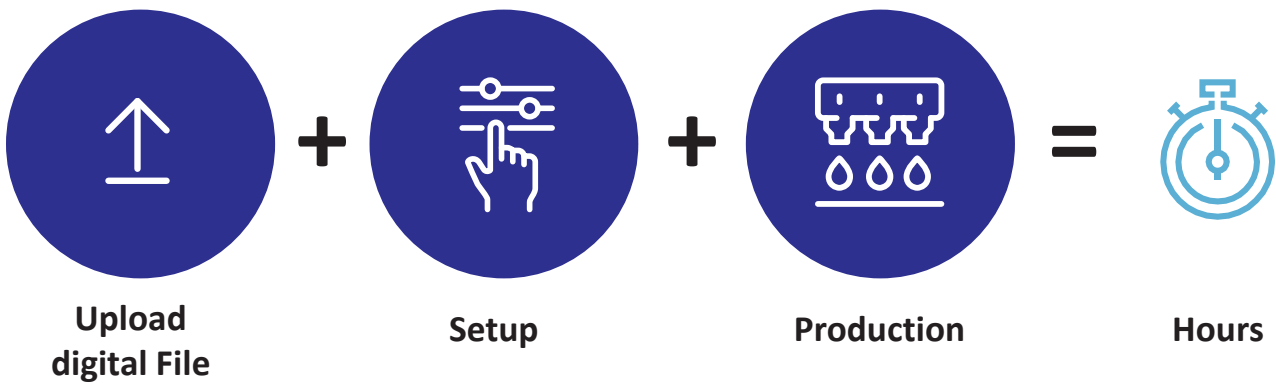


Sustainability

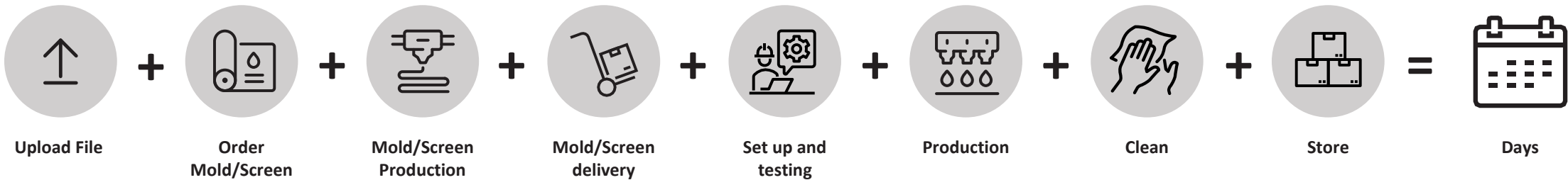
Production efficiency

The Scodix manufacturing advantage

Scodix Process



Analog Process



Scodix offering concept

Scodix Ultra platform replaces five analog systems



Silk Screen



Glitter



Foil / Embossed



Cast&Cure



Braille

| | |
|----------------------|---------|
| ASP (K\$) | 200-300 |
| Required Space (Sqm) | 80-200 |
| Dedicated Operators | 1-2 |

| |
|---------|
| 100-300 |
| 20-40 |
| 1 |

| |
|-----------|
| 300-1,300 |
| 100-120 |
| 1 |

| |
|-----------|
| 500-1,000 |
| 20-40 |
| 1 |

| |
|--------|
| 50-150 |
| 5-10 |
| 1 |



| | Analog | Scodix |
|-----------|-----------|---------|
| ASP \$K | 1000-3000 | 700-900 |
| Space sqm | 200-400 | 30 |
| Operators | 5-6 | 1 |

E-Commerce

Trends:

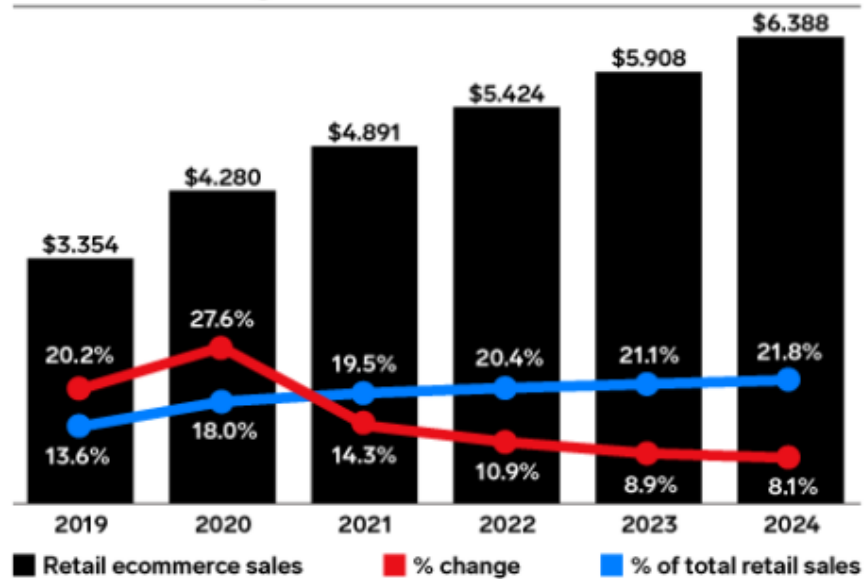
- 27.6% growth from 2019 to 2020
- 21.8% of all retail sales will be e-commerce by 2024

Demands:

- Fast Turnaround
- Shorter supply cycles
- Shorter run length
- Flexibility
- Massive effect on packaging

Retail Ecommerce Sales Worldwide, 2019-2024

trillions, % change, and % of total retail sales







Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales
Source: eMarketer, Dec 2020

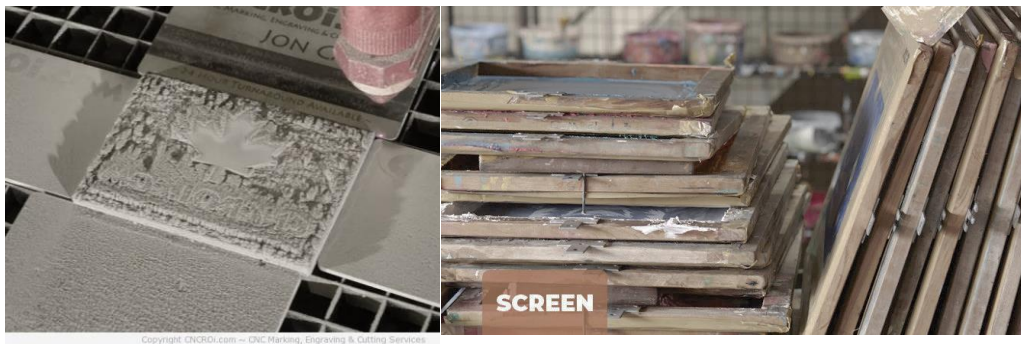
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eMarketer | InsiderIntelligence.com






Sustainability

Current Analogue manufacturing

-  Discharge of chemicals, molds, plates, pallets and other wastes
-  Very long print runs that creates waste throughout all the supply chain
-  Long setup times that requires larger head count
-  High energy consumption with large footprint systems



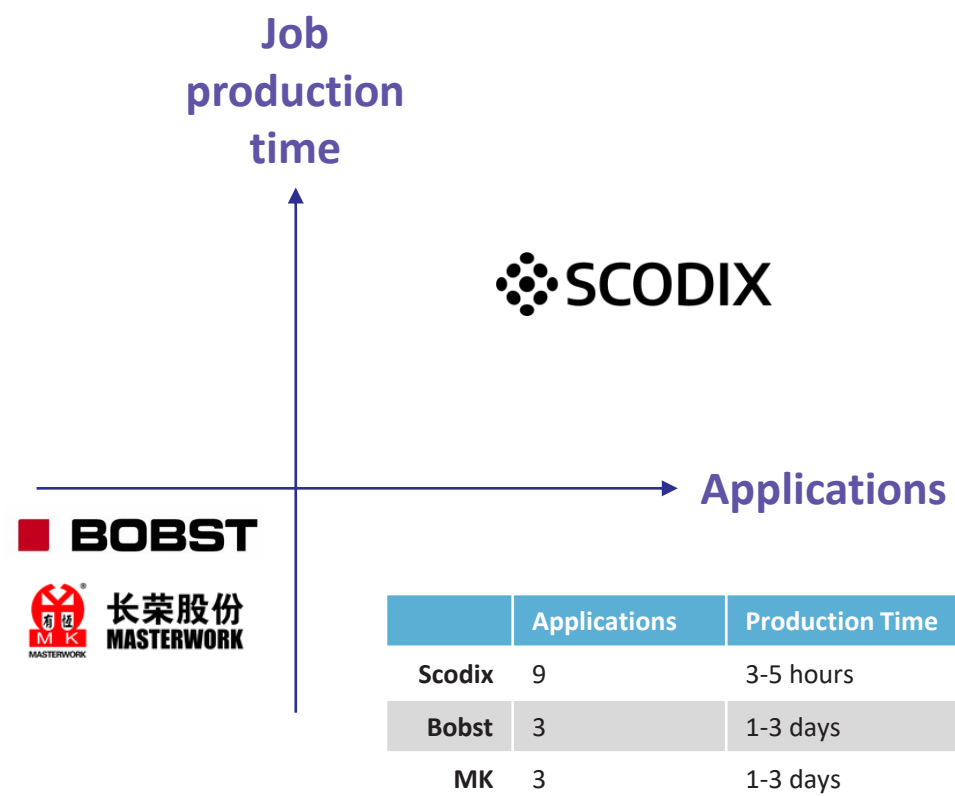
Scodix

-  No one-time disposables such as plates, molds or screens
-  Print exactly what you need approach and architecture
-  No VOC or other polluting gasses
-  Compact and power efficient systems
-  Easy to operate, setup and maintain

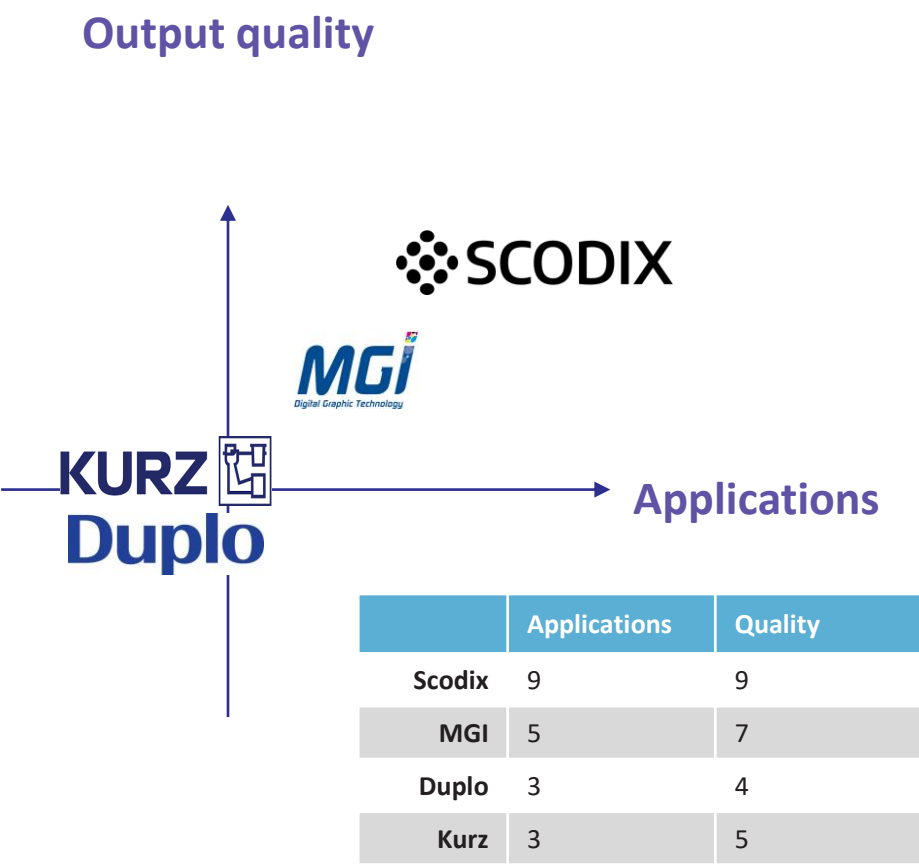


Scodix Ultra 6000 – Unique Value Proposition

Scodix vs. Analog



Scodix vs. Digital



Scodix financials

2019



\$30.7M

Revenue



29%

Gross Margin



\$16.1M

Operating Expenses

2020



\$16.4M

Revenue



14%

Gross Margin

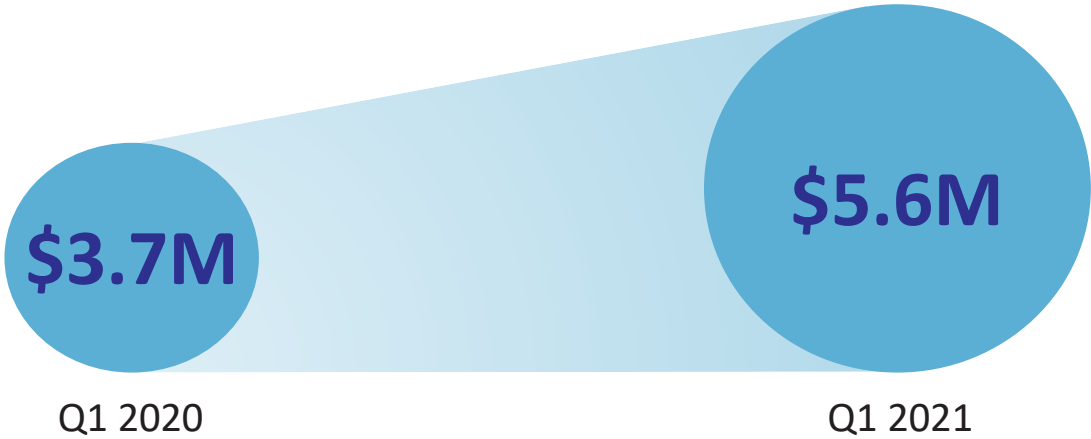


\$11.3M

Operating Expenses

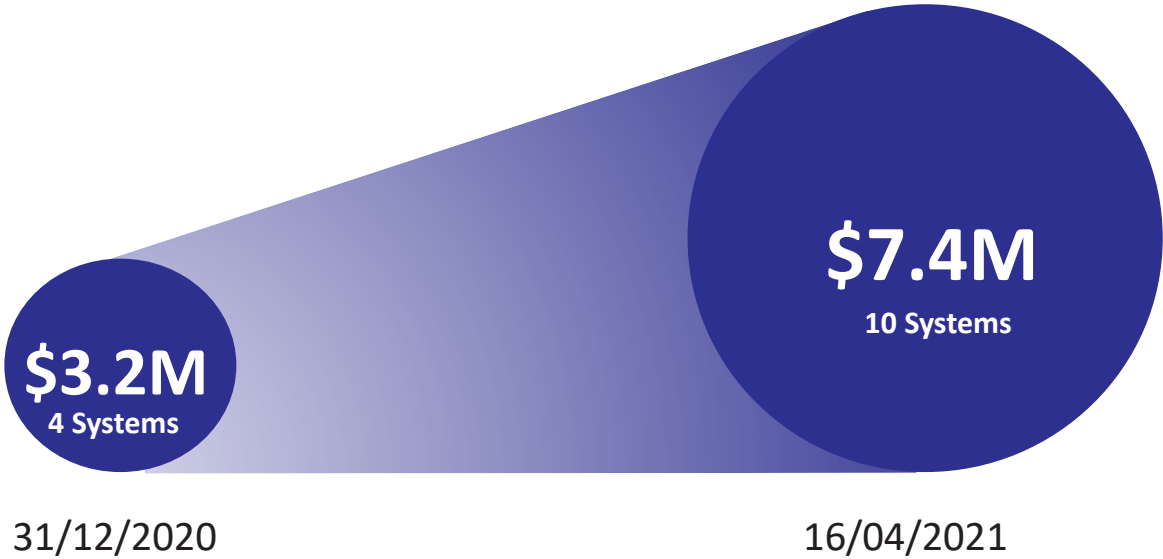
Scodix financials UNAUDITED

Revenue



51%
Growth

Systems
backlog



128%
Growth

The Scodix opportunity

Targeting the packaging industry



Mature technology, Over 360 customers WW



The packaging market – **Blue ocean** for digital solutions



Growing recurring revenue model
\$7M in 2020



\$10B TAM



Experienced management team,
backed by leading investors



thank
you