



OPPORTUNITY TO INVEST IN A GLOBAL DIGITAL PACKAGING LEADER

November 2020



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TODAY'S PRESENTERS



Shlomo Nimrodi
CEO

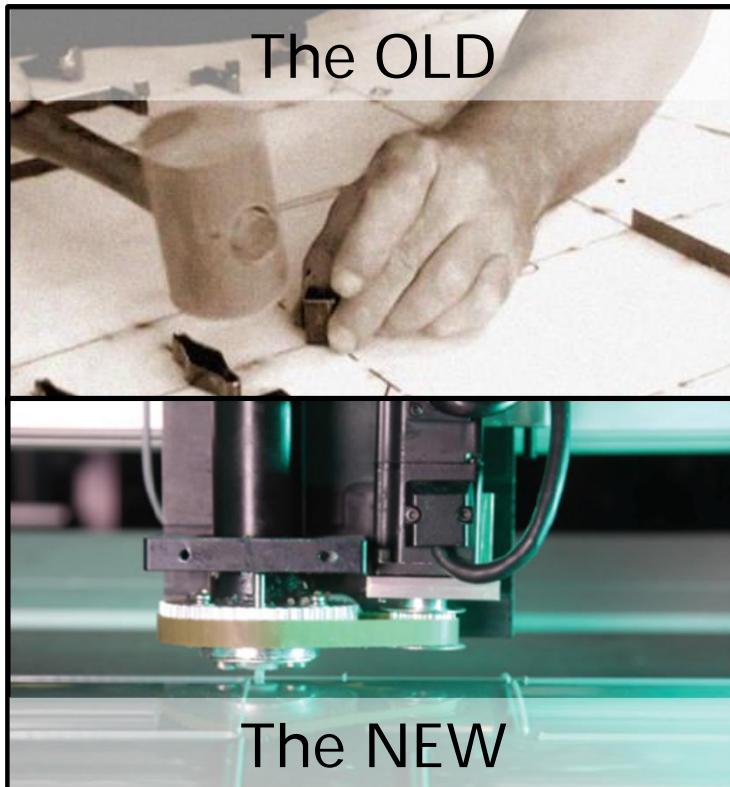
Many years leading multiple global companies as CEO including CFO & COO of Indigo



Eitan Varon
CFO & CMO

26 years in the print industry.
Scitex, Printar, VIM

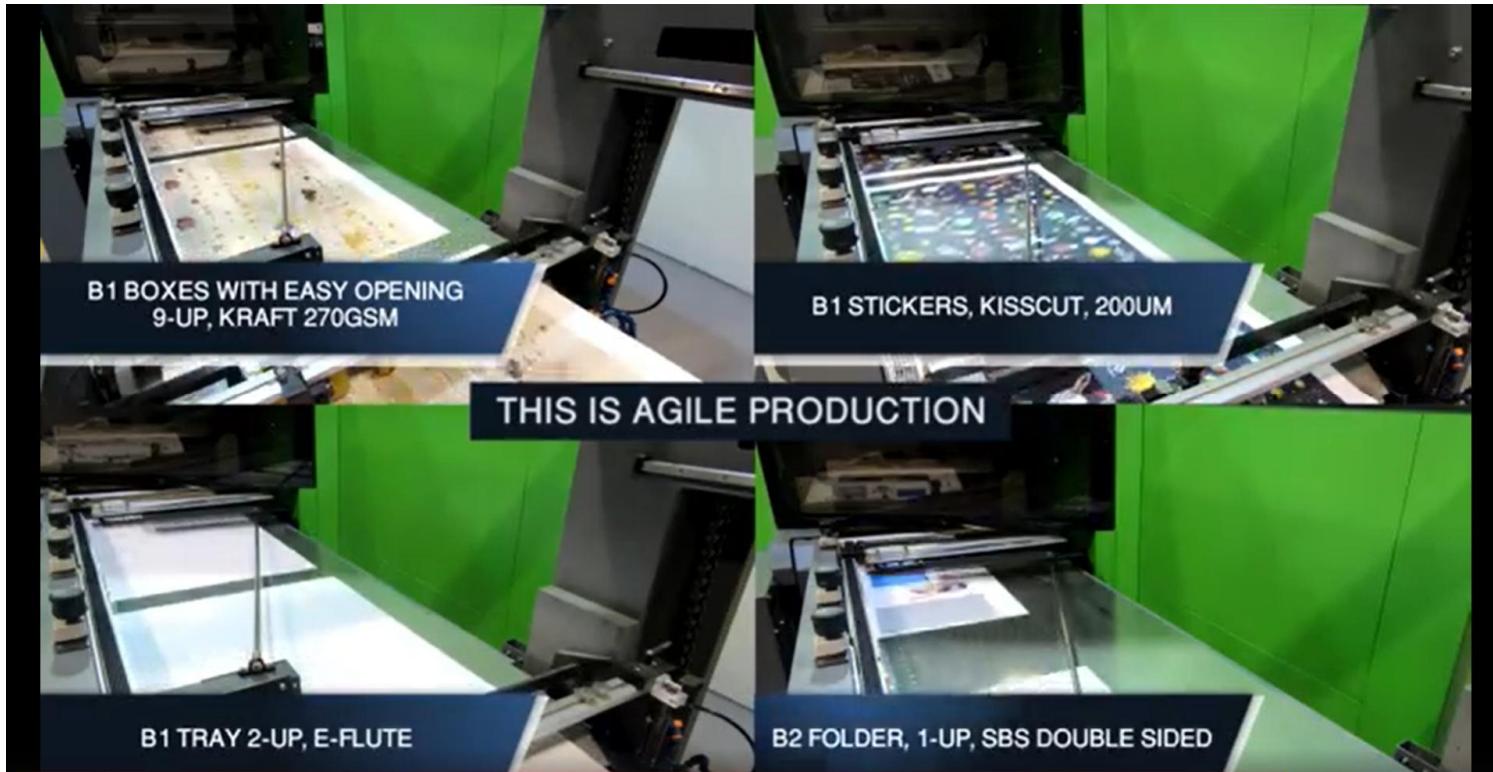
THE HIGHCON VISION



TO BRIDGE THE GAP
BETWEEN **AGILE**
PRODUCTION
& **DESIGN**
CREATIVITY WITH
INNOVATIVE DIGITAL
TECHNOLOGY



AGILE PRODUCTION



<https://youtu.be/d6Uvmw-F65g>

THE MARKET GAP

MOVING FROM ANALOGUE TO DIGITAL

PRE PRESS



100%
Digital Solution
Market
Penetration

PRINTING



Digital
Solution Growing
14%
/ year

FINISHING



Going Digital
NOW!



HIGHCON AT A GLANCE

THE WORLD'S FIRST DIGITAL FINISHING SOLUTION
DISRUPTING A 150 YEAR-OLD INDUSTRY



2009
Founded
\$105M
Capital Raised

85
Employees
Landa 



Cutting-edge, fully-operative
Technology
>60
PATENTS,
FILED GLOBALLY

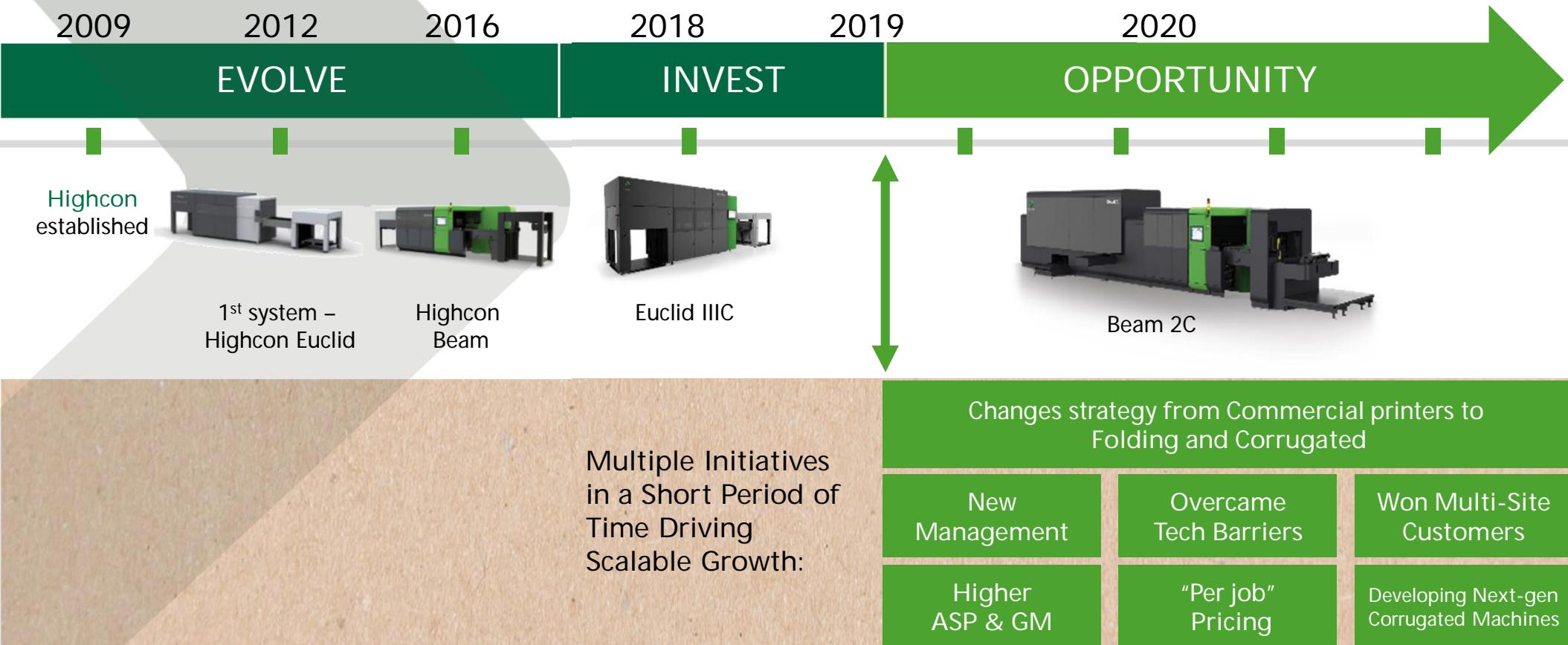


World-class industry customers
& consumer brands
60+ installations
15% Repeat orders



Post Revenues


HIGHLY SUCCESSFUL REPOSITIONING OF THE BUSINESS



HIGHLY ACTIVE MANAGEMENT WITH PROVEN TRACK RECORD AND INDUSTRY LEADERS



Shlomo Nimrodi
CEO

Many years leading multiple global companies including CFO & COO of Indigo



Eitan Varon
CMO & CFO

26 years in the print industry – Scitex, Printar, VIM



Dvir Harmelesh
CTO, Head of R&D

Indigo, Applied Materials, NegevTEch, Landa



Tal Harmon
VP Special Project Development

25 years R&D and management roles in Scitex and HP Scitex



Jens Henrik Osmundsen
VP Sales & GM EMEA & APAC

30 years in the print industry – Indigo/HP



Michael Ciaramella
VP Sales & GM Americas

27 years in the print industry – Microsoft, HP, Scitex, Kodak, Agfa

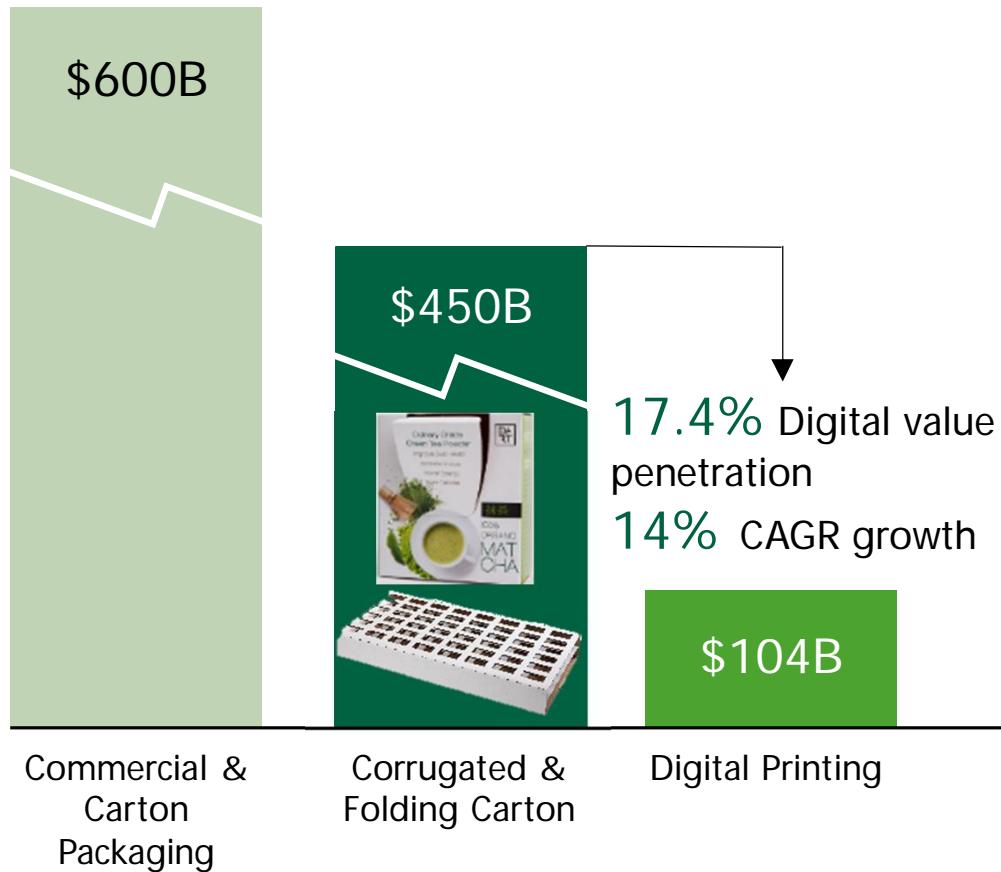


Shmuel Haham
VP Operations & Customer Success

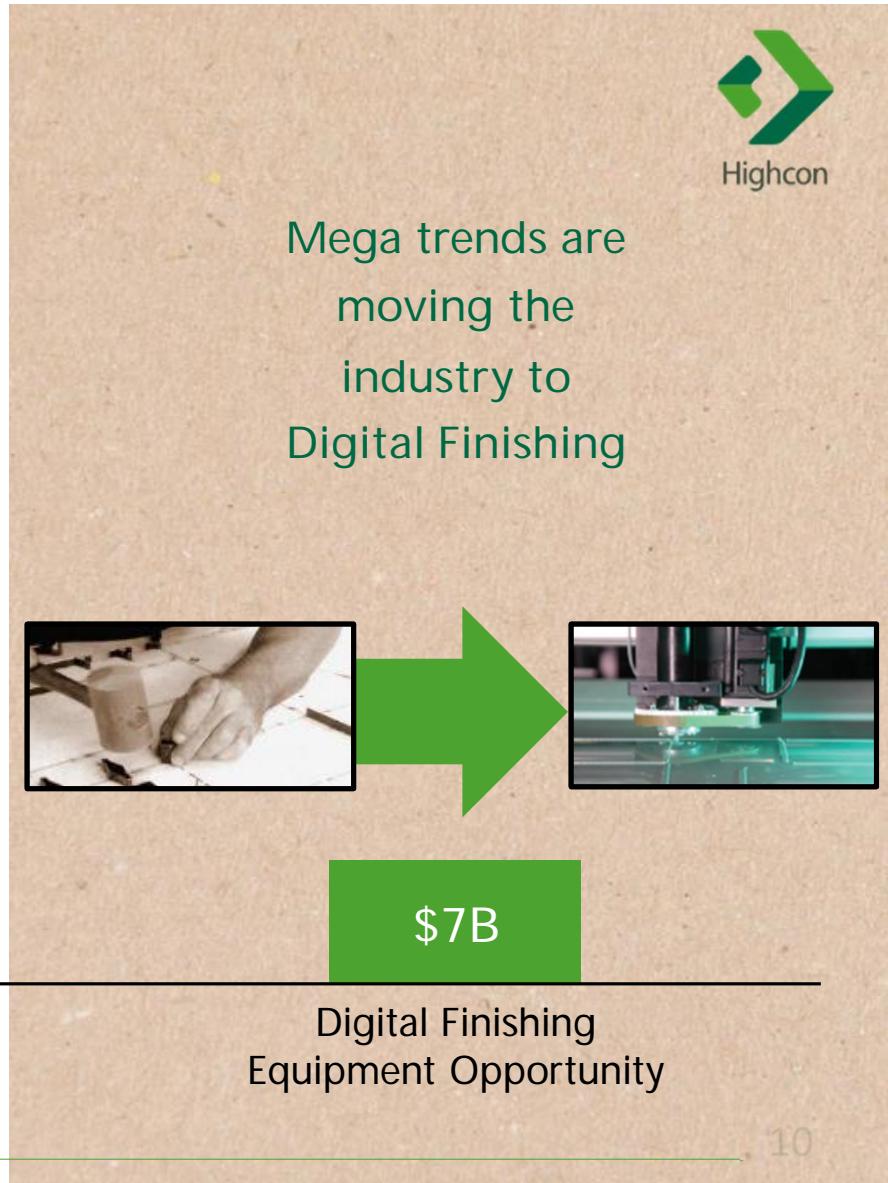
Operations management roles at Indigo, EMC, Comverse, MRV, Attenti



HUGE MARKET IN EARLY TRANSFORMATION



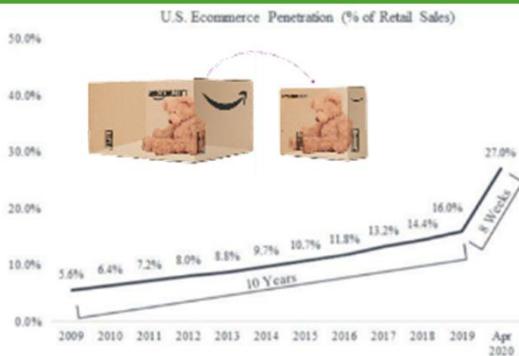
Sources: Smithers Pira, Karstedt Partners LLC.



5 MEGA MARKET TRENDS DRIVING THE NEED FOR A DISRUPTIVE FINISHING SOLUTION

1 E-COMMERCE BOOM

- High speed manufacturing and rightsizing of packages – key in the next-day-delivery era
- New Emerging Web-To-Pack businesses



2 SUSTAINABILITY

- Supply chain efficiency
- Major companies commit to sustainable packaging



3 MANUFACTURING EFFICIENCIES

- Minimize inventory and working capital
- Automation / Industry 4.0
- Local manufacturing preference



(1) DS Smith.

5 MEGA MARKET TRENDS DRIVING THE NEED FOR A DISRUPTIVE FINISHING SOLUTION

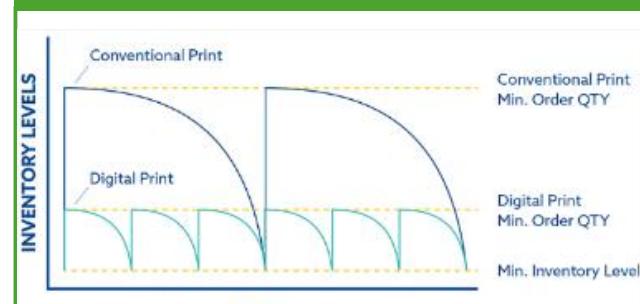
4 DESIGN CREATIVITY

- | Brand Owners increasing attention to consumer delight / Experience – stand-out, easy to open, dual-purposes
- | Customization
- | Shorter lifetime of designs (~6 months)



5 DIGITAL PRINTING

- | \$20bn+ Digital printing industry for packaging enhance digitalization of the industry⁽¹⁾
- | Major players massively invest in digitalization of the packaging industry e.g. HP, EFI, Durst, KBA, Barberan, Brother...



The Boxmaker blog - [What is the Packaging Replenishment Cycle?](#)

(1) Karstedt Partners LLC.

ISRAEL IS THE WORLD'S HUB FOR DIGITAL PRINTING



Multiple successful exit events (IPOs / M&A)



Highcon

Highcon is leveraging the global leadership and experience of Israeli industry pioneers



OUR CUTTING-EDGE SOLUTION

HIGHCON: 4 STEP SOLUTION



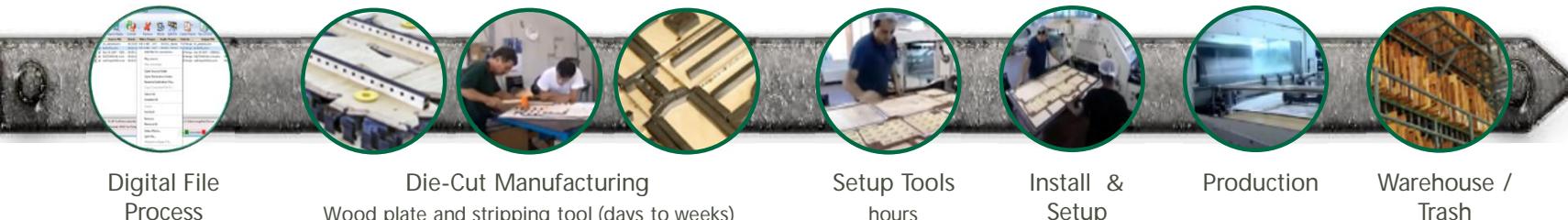
Product ready in Hours!
10-30% cost savings



STRONG ROI
Saving up to \$1,000 per job



CONVENTIONAL DIE-CUT: ~12 STEP SOLUTION



Product ready in Days or Weeks

Note: The conventional die-cut process illustration includes only select steps.

HIGHCON SIGNIFICANT VALUE PROPOSITION



TIME TO
MARKET



MANUFACTURING
EFFICIENCIES &
SAVINGS



CUSTOMIZATION



ONLINE
E-COMMERCE



SUSTAINABILITY

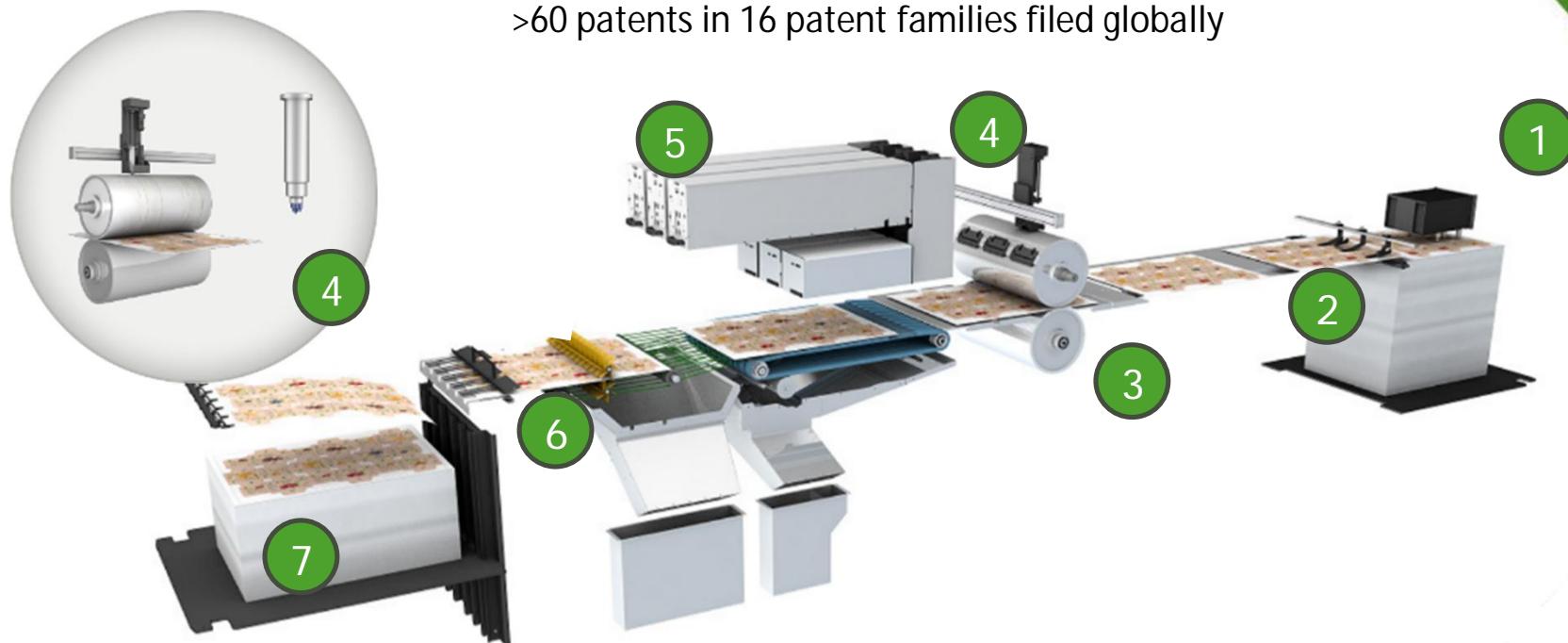


CONSUMER
DELIGHT / USER
EXPERIENCE

ROBUST IP



>60 patents in 16 patent families filed globally



1 Feeding system

2 Registration (mechanical)

3 Advanced registration

4 DART station (creasing)

5 Laser system (cutting)

6 Digital stripping

7 Stacking system

Robust Solution Portfolio – ASP FROM \$600K - \$2.2M



SHORT RUNS

CORRUGATED

1mm – 3mm flutes



Highcon Euclid 5C
2250 B1

MEDIUM TO LONGER RUNS

Highcon
Beam 2C

Highcon
Beam 2C
Nonstop



1mm – 4mm flutes



4000 SPH B1

FOLDING CARTON

200 – 600 μ



Highcon Euclid 5S
2750 SPH B2



Highcon Euclid 5
2250 SPH B1 / 2750 B2

200 μ – 2mm flutes



Highcon Beam 2
5000 SPH B1

WHO DO WE SELL TO?

	Medium to Large Corrugated & Folding Carton Producers	Online Web-to-Pack Businesses	"Emerging" Commercial printers
Motivation	Process improvement vs. conventional manufacturing lines	Speed to market, short runs, and cost-efficiency	Diversification, specialization
Primary Customers	Large Brand Owners	SMEs	SMEs

Examples of Customers



Relying on Internal Sales Force and Growing Distributor Network

>15,000 Potential Customers

LEADING BRANDS ALREADY USING HIGHCON TECHNOLOGY



Mercedes-Benz



PORSCHE



L'ORÉAL



Nestlē

Kellogg's

Repetto
PARIS



Colgate



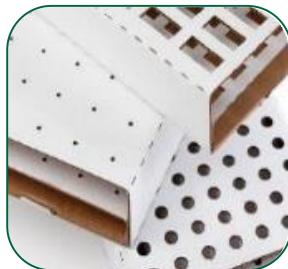
Mondelez
International



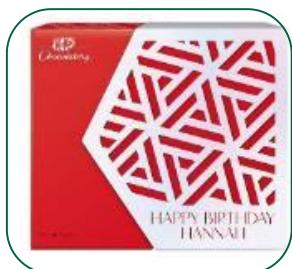
Judges include
Amazon, P&G,
Nestle, Coca Cola,
Pepsico, Mondelez,
Kraft Heinz, Barilla,
etc., etc.

APPLICATIONS BY PRIMARY MARKETS

CORRUGATED – DISPLAY & PACKAGING



FOLDING CARTON



THIMM

Award-winning packaging



PACKAGES TARGETED AT INFLUENCERS

- Limited edition promotion
- Sent to bloggers and influencers



OBAL ROKU packaging competition

PACKAGES FOR E-COMMERCE

- Innovating to create powerful visual impact
- Customers keep the boxes, driving brand loyalty



DUAL-PURPOSE SAMPLES PACKAGE

- Ship in Own Container
- Protects while maintaining brand exposure



Differentiate, surprise and engage

VIRTUAL PACKAGING

From prototypes to full production

RAMP UP FOR SMALLER BRANDS

- No MOQ – JIT packaging
- Volumes grow to match sales

OUTSOURCE TO OTHER CONVERTERS

- Effective production of smaller quantities
- Open market sales

FOCUS ON RAPID TURNAROUND

- ~50 new customers/month
- Word of mouth referrals



GAFS KARTONG

One of first Euclid customers

MONO-MATERIAL PACKAGE

- Board to replace plastic tray insert
- Eye-catching outer box

PACKAGES THAT ARE SUSTAINABLE

- Natural box for health-brand soap
- Client insisted on sustainable process

DUAL-PURPOSE PACKAGE

- Package and shelf display
- Highly effective perforation ensures good display on shelf



Autapn



<https://youtu.be/SOmDkmpnrF4>

SECURED STRATEGIC ACCOUNTS

Potential for future business



	 WestRock	 THIMM pack'n'display	 american greetings	 Autajon	 ORORA
Business Description:	<ul style="list-style-type: none">One of the world's largest paper & packaging companies\$18B revenues94 operating facilities	<ul style="list-style-type: none">Based in Germany~€650M revenues19 production sites across 6 countries	<ul style="list-style-type: none">Leading commercial printing player\$2B revenues	<ul style="list-style-type: none">Major packaging and labels player~\$1B revenues36 companies in Europe, US and China	<ul style="list-style-type: none">Based in Australia\$3B revenues43 manufacturing plants across 7 countries
Highcon Wins:	<ul style="list-style-type: none">Beam2 & Euclid 5C	<ul style="list-style-type: none">Beam2CHosting Highcon Open Houses	<ul style="list-style-type: none">Euclid 5 x 2	<ul style="list-style-type: none">Beam2	<ul style="list-style-type: none">Beam 2C

Note: Revenue estimates for 2019.

ENABLING 'WEB-TO-PACK' BUSINESSES EMERGING CATEGORY



Web-to-Pack are web platforms that enable any SME to design custom packing and print in 48hrs !

- On-trend with e-Commerce boom
- On-trend with growing demand for customization
- On-trend with consumer delight and flexible design
- Globalizing SME businesses – shipping worldwide

Value Proposition for SME Customers



Super Fast
Ordering



No
Minimum



Custom
Dimensions



Intuitive
3D Design Tool



High Quality
Full-Color Printing

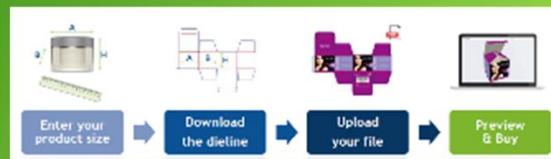


Sustainably Sourced
and Recyclable



User Friendly, Quick Process

Create your customer packaging
in just a few steps



Large SKU Selection Without The High Cost of Inventory



COMPETITIVE LANDSCAPE

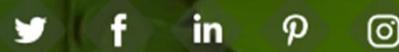


KEY HIGHLIGHTS

On path to replicate Israeli success stories in digital printing

- Category creator in the large, growing global packaging and display industry
- Disruptive, cutting-edge digital solution solving changing industry needs and replacing 150 years-old industry
- Proven technology and go-to-market strategy create clear path for growth – first mover advantage!
- Blue-chip customer base and consumer brands
- Sizeable growth trajectory with highly attractive recurring revenue business model
- Experienced management team with proven exit track record, backed by world-class strategic & financial investors

THANK YOU



info@highcon.net

