



**“The next generation of personal health and fitness monitoring”**



**cloudtag**

# CloudTag® Inc. Board & Management Team

## Key Board Directors

**Amit Ben-Haim** (Chief Executive Officer) has a proven track record as a successful entrepreneur establishing, leading and expanding companies through to trade sale exits as co-founder, executive and non-executive director. In 1993, he co-founded Biosense Inc., a medical devices company which was sold to Dow Jones-listed Johnson & Johnson in 1997 for \$485 million. In 1996, he co-established Impulse Dynamics Inc., another medical devices company, which ultimately licensed its cardiac contractility technology to NYSE-listed Guidant Corporation (a group company of Boston Scientific) and in 1998 he was one of several founders of Odigo Inc., a communications company specialising in instant messaging platforms (for example Blackberry's BBM) which was sold in 2002 to NASDAQ-listed Comverse Inc. Amit's experience extends across various industries including aviation (private and commercial), infrastructure, corporate finance and wealth management. He has expertise in risk and regulatory compliance for listed companies and is a director of SB Corporate Finance Partners Limited which is authorised by the Financial Conduct Authority to advise on and/or arrange certain investments in the UK.

**John Wakely** (Finance Director) served from January 2002 until his retirement in December 2013 as Executive Vice President of Stolt-Nielsen Limited (NO:SNI), a world leading integrated transportation, storage and distribution service provider for chemicals and other bulk liquid products with a market cap of US\$1.1 billion. John was responsible for tax planning, internal audit and legal structure. He has been retained as the Stolt-Nielsen Limited Board Secretary and also serves as Chairman of Stolt Tank Containers Leasing Ltd. He joined Stolt-Nielsen Limited in 1988 and held various positions in the controllership, internal auditing and tax planning areas. He is also Chairman and a Director of Fiducia Ltd and of International Beverage Trading Limited a subsidiary of Thai Beverage, one of Southeast Asia's largest beverage companies. John was previously employed by BP International in various accounting roles and is a member of the Chartered Institute of Management Accountants.

## Key Management

**Alon Moss** (Chief Technology Officer) is an accomplished and visionary CTO with extensive global experience. Alon has led business development, product development and day-to-day operations at several electronics and software providers, specialising in communications, large-scale sensor networks, Internet of things (IoT) and special-purpose sensors and technology for defence, transport and the oil & gas industries. Alon is an expert software and electronics engineer with over 20 years of combined hands-on and management experience. A specialist in the introduction of innovative products from concept to market. Products under Alon's leadership have generated revenues of more than US\$200 million. Alon has built global partnerships and global distribution networks, leading international multi-site teams of up to 100 people. Alon has created successful new products for globally leading companies such as Comverse, Inc. (NASDAQ:CNSI), Mer Group (TASE:CMER) and Orpak Systems Limited. Alon's academic qualifications include an MBA and a BSc in both Computer Science and Electronics Engineering.

## What is CloudTag®

CloudTag Inc. is a London Stock Exchange AIM listed company bringing accurate data and personal monitoring to the health, wellbeing and fitness markets; in a way that is easy to understand and allows the user to make positive changes to their health and fitness lifestyle regime.

CloudTag® brings together world leaders in nano-electronics, medical technology, exercise science and software development to bring a unique and relevant product to the weight loss and fitness markets. With years of experience CloudTag recognises the barriers to prolonged success in losing weight and aims to empower the user with a solution to fit around their lifestyle and surroundings, becoming the dashboard for health, fitness and nutrition.

## CloudTag®'s Partners

**Imec International**, Imec performs world-leading research in nano-electronics and nano-technology. imec leverages its scientific knowledge with the innovative power of its global partnerships in ICT, healthcare and energy to deliver industry-relevant technology solutions. In a unique high-tech environment, its international top talent of 2,200 people which includes almost 700 industrial residents and guest researchers, is committed to providing the building blocks for a better life in a sustainable society. Imec's research is applied in better healthcare, smart electronics, sustainable energy and safer transport.

**Adience Solution** a mobile commerce and deep user profiling ecosystem with tens of millions of users. Adience has created a set of unique technologies, that allow it to excel in understanding users in the mobile environment, the technology provides a deep understanding of mobile customer interests and needs and was developed by a team of talented engineers and data scientists who, by leveraging their unique deep learning capabilities and technologies built from scratch for the mobile environment, are able to offer the best of breed solutions for user classification, analytics and product recommendations to our customers. Adience is part of a group of companies majority owned by multi billionaire Teddi Sagi and which are listed on the London Stock Exchange or AIM ([www.adience.com](http://www.adience.com))

**Preciousbluedot**, a technology and software company founded by two former owners of Rare Limited who have had continued success with award winning innovative App interfaces and gamification methods to maximise user engagement. Rare Limited was one of the most successful video game developers of the 1990's achieving critical acclaim for releases including Donkey Kong Country, GoldenEye 007 and Perfect Dark. Rare was acquired by Microsoft in 2002 and the team went on to develop the Microsoft Xbox Kinect technology and Microsoft Xbox avatar interfaces. ([www.preciousbluedot.com](http://www.preciousbluedot.com))

## Vision

Encouraging active healthy lifestyles through personalisation.

## Mission

- To deliver personal medical quality data in a simple and meaningful manner to the consumer market
- To be the trusted company for sensitive personal data
- To support individuals to achieve their health and fitness goals and sustainable lifestyle changes by providing accurate, relevant data and a truly individualised experience

## Timetable

Product launch at **CES** (Consumer Electronics Show) **2016** Las Vegas – the global stage where next-generation innovations are introduced to the marketplace.

## Target Market

- Initial product targeted to the mass weight loss and general health market
- Male and female market with a predominant focus on females aged between 25 – 54
- Accessible anywhere and designed to work on multiple platforms



## Unique Selling Points

- Wireless clinical grade ECG monitoring device - with the most accurate energy expenditure model available today\*
- Advanced personal algorithms to adjust the user's targets without the need for constant input from the user
- Collecting user data using cutting edge IoT\*\* (Internet of Things) technology whilst interpreting and producing real time personalised support and guidance
- "Hyper Personalisation" – real time measurements of individual behaviour insights enable a dynamic and hyper personalised user experience; managing activity, rest and nutrition for positive results
- Coupling the device with the user to provide the most accurate feedback loop
- Real time analysis allows for accurate adjustments to the individual's training programmes and targets, working with the user's fitness levels

• compared to state of the art single and multi-sensor activity-specific energy expenditure models.

\*\* The Internet of Things (IoT) concept is defined as an effort to collect data from new or existing devices ('things') and using that data in new ways to deliver business opportunities.

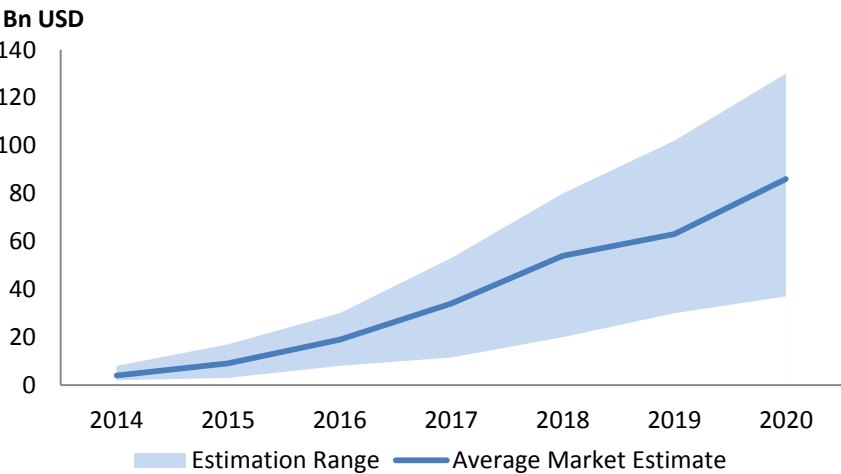
## The Addressable Market

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## Key Markets

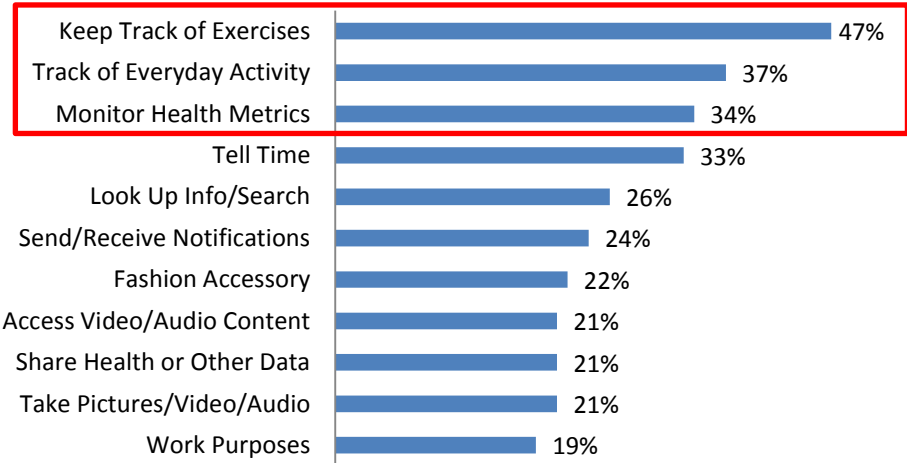
- **Connected Fitness and Wellbeing** - tracking physical activity and collecting data manifested as mobile apps and wearable devices
- **mHealth** – the support of public health using mobile devices and wearable technology

### Global Potential Wearable Market



Source: Bank of America Merrill Lynch, Cowen, Euromonitor, Gartner, IDC, Morgan Stanley, Julius Bär, 2015

### Top wearable Use Cases Mentioned



Source: AlphaWise Survey, Morgan Stanley, Julius Bär, 2015

*Technology changed the world now the world is changing the technology*

## Facilitating Technologies

- Advances in low power, bio-sensor technology combined with multi-axis accelerometers and advanced algorithms for data gathering
- Bluetooth low energy technology to transmit data to mobile devices
- Smartphone adoption to visualise the data and engage the user

## Market Drivers

The convergence of:

- Device interconnectivity – It is estimated that by 2018, approximately 480 million fitness and consumer wearable devices will have shipped and 4.2 billion smartphones will be in use <sup>1</sup>
- Increasing health awareness and recognition of fitness as part of people's lifestyle driven by the rising levels of obesity and government incentives such as the Affordable Care Act<sup>2</sup>
- Expanding middle class with disposable income and free-time - the global middle class is estimated to grow from 1.8 billion in 2009 to 3.2 billion by 2020<sup>3</sup>, with 32% residing in the EU and USA<sup>4</sup>
- Government and corporate initiatives are drivers in increasing the public's health and wellbeing through proactive and preventative care
- Corporate connected fitness loyalty programmes put cash back in consumer pockets thereby driving engagement<sup>2</sup>

1. Wearable Technology – Market Assessment, IHS, September 2013

2. Insights & Trends In Connected Fitness, MapMyFitness, July 2014

3. An emerging middle class, OECD Development Centre, OECD Yearbook 2012

4. The New Global Middle Class: A Cross-Over from West to East, Brookings Institution Press, 2010



## Market Growth

Wearable technology, which includes connected fitness devices, is one of the fastest expanding markets in history<sup>2</sup>.

- The wearables market achieved \$8.5 billion in revenues during 2012, shipping 96 million devices<sup>5</sup>
- In 2018 it is predicted to ship 210 million units driving \$30 billion in revenue in that one year<sup>5</sup>

### Connected Fitness

- Demographic for fitness devices and apps is reflecting the general population – they are becoming more mainstream<sup>2</sup>
- Worldwide revenue for fitness devices is estimated to reach \$2.3 billion by 2017 with 250 million devices shipping over the next 5 years<sup>1</sup>
- In the USA, one in 10 current consumers over the age of 18 owns a modern activity or fitness tracking device<sup>6</sup>
- 13% of American consumers report that they intend to purchase a wearable fitness product in the next 12 months<sup>7</sup>
- In 2013, use by women in the USA of health, fitness and activity apps was 200% greater than men.<sup>8</sup>
- Apple, with the Apple Watch, and Google have entered the market as they look to wearables and connected fitness apps to drive the next wave of app and device accessories sales
- Connected fitness apps
  - In 2010 there were only 4,000 health and wellbeing mobile apps. In 2014 there are now over 31,000<sup>2</sup>
  - 62% increase in usage of health apps, over the last 12 months outpacing the wider market’s growth.<sup>9</sup>
- mHealth
  - Predicted to reach \$26 billion in revenue by 2017<sup>10</sup>

5. <https://technology.ihs.com/426704/wearable-technology-report-2013>

6. Inside Wearables, Endeavour Partners, January 2014

7. Consumer Interest in Purchasing Wearable Fitness Devices in 2014 Quadruples, Consumer Electronics Association, December 2013

8. Flurry: Millennials use health and fitness apps more than other age groups, MobiHealthNews, June 2013

9. Apple tightens privacy rules for health apps, Financial Times, August 2014

10. Mobile Health Trends and Figures 2013-2017, Research and Markets, July 2013

## The CloudTag Concept

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- **Small, discreet and lightweight** with multiple ways to wear the device
- **Clinical grade low power wireless ECG** when positioned on the upper left torso for the best ECG signal (Lead 1, 2 and 3) to receive data at the point of source
- **Advanced activity tracker**
- **Live transmission of data** via Bluetooth® Low Energy
- **Unique advanced algorithms** proprietary to CloudTag – providing accurate data which determines body location and activity automatically
- **Personalisation of device algorithms** calculating the user's cardiorespiratory fitness level and adjusting the derived calculations (e.g. energy expenditure) accordingly
- **Clinical grade heart rate** and HR variability measurement using custom electronic components (ASIC)
- **Accurate energy expenditure (calories)** calculation comparable to the industry gold standard\*

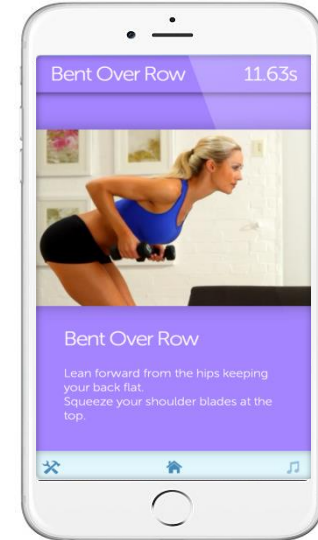
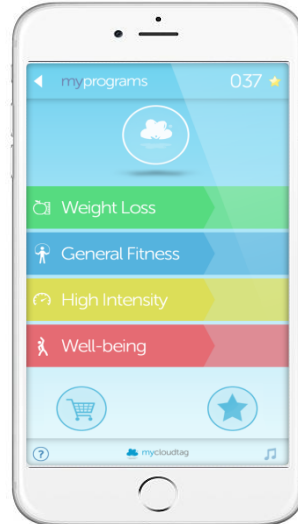
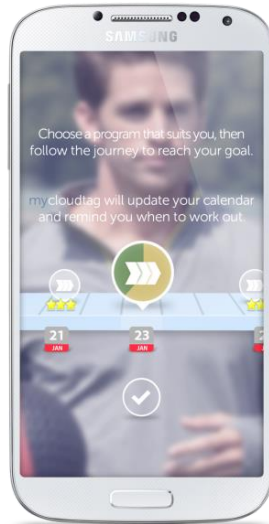
24hr activity tracker and clinical grade heart rate monitor



\* compared to state of the art single and multi-sensor activity-specific energy expenditure models.

## Personalised health and fitness app to support weight loss and weight management

- **Hyper Personalisation** optimises the programme sessions and recovery periods - as the individual and their goals change, so too do the recommendations and targets; adjusting for a fitter, leaner physique
- **Integrated with Adience's Insights** technology building deep understanding of the app user base to detect clusters of high LTV and engaged users for product improvements and targeted upselling
- **Integrated with Adience's Similarity Network with tens of millions of users** to directly market the app
- **Currently over 350 exercises** allowing the creation of multiple workouts and programmes to support weight loss, health and fitness
- **Accessible anywhere** and compatible with IOS and Android
- **Cloud data storage, analytics and visualisations** with trusted security of personal data
- **Positive feedback, tips and guidance** to maintain prolonged user engagement
- **Building communities and competition** via social networks
- **Referrals based on gamification reward techniques** helping to grow and maintain the user base and communities



## Business To Consumer

### Sales of CloudTag® Devices

- Through “bricks & mortar” and online retailers
- Direct sales from CloudTag.com
- Existing app user base
- Non core countries through distribution agreements

### App Sales

- Monthly and annual subscriptions for programming content, tips and advice
- One-Off & bundled in app purchases
- Driving mass consumer big data

## Business To Business

- Global health care insurers, global health club chains and corporate wellness programmes to provide the wearable device

## Value Creation

- **INITIAL REVENUES** - sales of devices, in app subscription & purchases and integration with merchant loyalty programmes
- **MID TERM VALUE** - detailed and accurate data aggregated from a large number of users

## Intellectual Property & Freedom to Operate

- An exclusive, world-wide, perpetual and irrevocable licence to use CloudTag®'s algorithms developed by Imec International, a world leading research institute, and based on Imec's IP and proprietary clinical algorithms
- A world-wide, perpetual and irrevocable licence to use imec's IP and proprietary clinical algorithms including, but not limited to, the following:
  - ECG
  - Heart Rate Variability
  - ECG Derived Respiration
  - Atrial Fibrillation
  - Physical Activity Detection
  - Body Location Detection
  - Energy Expenditure
  - Personalisation of Physical Activity and Energy Expenditure to the individual
- CloudTag® is not restricted from entering any substantial market world wide
- CloudTag®'s hyper personalisation algorithms providing the closed loop system to the user
- Source code for the CloudTag platform and MyCloudTag mobile app

## Trade marks

- UK registered trade mark for CloudTag®



## Overview

- 24hr easy to wear activity tracker; clinical grade heart rate monitor
- Advanced algorithms; accurate, reliable data for personal health and fitness monitoring
- Mobile application; a hyper personalised experience for the user

## Why Invest?

- ✓ Rapidly expanding wearable technology market
- ✓ One of the few publicly listed companies in wearables
- ✓ Key USPs that differentiate the product in this crowded market
- ✓ Global addressable market with multiple revenue streams
- ✓ Long term value creation from “Small Data” to “Big Data”

## Company Information

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## Major Shareholders

Name	Shares	%
Killik & Co	34,741,475	17.01%
Osuna Limited	30,975,000	15.17%
Corvus Capital Limited	29,731,964	14.56%
Preciousbluedot	9,500,000	4.65%
Mike Hirschfield	9,870,834	4.83%
Amit Ben Haim	7,655,165	3.75%
Others	81,728,147	40.02%
<b>Total shares</b>	<b>204,202,585</b>	<b>100%</b>

## Options & Warrants

Type	Number	Strike Price
Options – Directors & Employees	5,700,000	6p, 8p, 12p, 20p
Warrants – Directors & Employees	3,625,000	6p, 8p, 10p, 12p
Warrants – Consultants & Others	5,625,000	8p
Warrants – Consultant	22,000,000	4.25p
<b>Total Options &amp; Warrants</b>	<b>36,950,000</b>	

## Company Information (as of 21<sup>st</sup> July 2015)

Share price (SRSP)	2.25p
Market Capitalisation	£4.59m
<b>Current Shares in Issue</b>	<b>204,202,585</b>
Total Options and Warrants	36,950,000
Conversion of Loan Notes (£50,000)	2,000,000
<b>Fully Diluted Enlarged Share Capital</b>	<b>243,122,585</b>



MyCloudTag is integrated with Adience's Technology for deep user profiling and marketing to over 30 million users



Adience is part of a group of complimentary technology companies, majority owned by multi billionaire Teddi Sagi all of which are listed on the London Stock Exchange or AIM and are focussed on mobile and e-commerce.

Adience has created a set of unique technologies, that allow it to excel in understanding users in the mobile environment. By leveraging modern Machine Learning and Deep Learning algorithms, and analysing users on more than 1,000 different data points, we are able to create rich and precise user profiles. These profiles allow deep insights into the app audience, enabling CloudTag to improve in-app product offerings, user acquisition, and the user experience.

## Adience Insights

Gaining an in-depth understanding of the user base through deep machine learning algorithms to analyse users based on more than 1,000 different data points, to create rich and precise profiles for each user of MyCloudTag and detect clusters of high lifetime value and engaged users

Adience Insights helps gain a deep understanding of the app audience. Identifying power users, different user demographics and enabling CloudTag use these insights to improve the product and marketing strategy.

## Adience Similarity Network

A network with tens of millions of users with deep user profiles allowing the MyCloudTag app to be marketed directly to this user base. Used in conjunction with the technology of Adience Insights, CloudTag can automatically bring new highly engaged users to the app.

The innovative, data-driven process of Adience Similarity Network allows a dramatic increase in the ROI.

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