



Keepers Child Safety

Shareholders Update, Q1 2021

May 2021

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A Word from Aviad and Hanan

We are excited to share with you our first update for 2021 from Keepers Child Safety Ltd (now our official Company name. No more Libi-Yacobi, etc...)!

After a record-breaking year of 2020, we are moving toward 2021, when we were able to learn, understand, and grow our business into the global leader in AI NLP technologies to monitor, detect and protect children in the digital world company together **with you!**

As part of our journey for success, we are now implementing key lessons that we learned during our Due-Diligence with Hutchison Investments and our collaboration with our partners and customers.

2021 started by launching a new revenue stream, utilising our existing technology, applying our SDK to the Cyber-insurance industry.

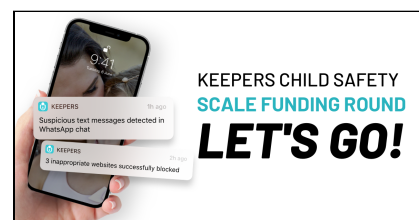
So far this year we have been busy restructuring our team, and opening our new office in Vienna, Austria. With the help of the Austrian government we were awarded a non dilutive €1,300K grant by the FFG!

By recruiting our CTO, [Roi Shillo](#) and our CFO, [David Siboni](#), we have reached an important milestone in our company's maturity. Roi and David are bringing huge amounts of experience, helping us to transform the business into a multi-national company.

Our next challenge this quarter is to finalize our Series A investment. More on that to come.

As always, If you have any questions feel free to contact us at:

Aviad@Keepers.Ai



Technology Overview

Our new CTO, Roi Shillo, came on board as Chief Technology Officer and took ownership of all Keeper's R&D.

Roi has wide experience as CTO and as Technology & Business Executive in a variety of organizations. Roi helps to develop the company's strategy, product and technical architecture, build international partnerships and guide the development.

Roi is experienced as Developer, Software Architect, Network Architect, DevOp Lead, Data Science and Entrepreneur.

Roi's main focus are on the following challenges:

- Our NLP engine and our AI activities
- Collect and manage our data at scale.
- Build agile insights and predictions.
- All that while supporting privacy and security.

NLP Updates

We see the **NLP (natural language processing)** as our unique "**secret sauce**" as our focus technology solution and our team is focusing their attention on the NLP development.

- We issue an **NLP Overview document and presentation** for models that identify offensive / non-offensive conversations.
- Define the process of adding new languages we are now supporting and have the ability to monitor text with more than **5 different languages** including German, Japanese and more.
- Onboarding Yael Katz as **data operator**.

R&D and Product Updates

- Building a **long-term roadmap** for the next 2 years.
- Collecting feedback during a **soft launch** with Drei Austria.
- Development of **Allot's change requests** and integration to Rakuten's sandbox.
- Documentation for backups and restores.
- Compilation of high level design and architecture documents in Web Filtering.
- Deploy B2B solution to Sandbox env. and possibly Staging.
- Austria NLP team - Technical milestones and roadmap.
- Allot project uploaded to Rakuten sandbox - major milestone in both technical and business aspects.
- Integrating our NLP engine into our B2C solution - we added a German NLP model to our B2C product as part of the Drei project.
- Design for micro service reduction for Allot - as specified in the purchase request sent to allot.

Austria office

We have completed the final steps in opening our Austria branch and we are recruiting 2 employees this quarter to become 5 full time employees by the end of 2021, who will focus on NLP development for the EU languages.

This milestone is part of becoming a global business with the help of the Austrian Innovation arm, FFG.

Business overview

Cash Flow and P&L prediction (Finance)

We're happy to Join **David Siboni** (CPA) to our team.

David is an experienced CFO and a Partner in Brooks Keret, which is an outsourced CFO firm.

A word from David:

"I'd like to start by saying that I'm very happy to be a part of this promising company and looking forward to the challenges ahead.

During these quarter as we've gone through a DD process by hutchison, we used this opportunity to review the financial activity and to make sure that both the finance and the legal side are handled in the right manner"

Few actions that were done over this last quarter

- Monthly package of P&L BS and Burn rate, allow us a comparison mechanism and help the C-Level in taking business decisions alongside engaging everyone to the same financial targets.
- Revised Cash Flow projection for the upcoming 2 years is in place.
- Refining the business model, and tweaking it for the upcoming fundraising rounds, by changing the revenue model to a recurring rev share basis.

On the next quarterly update we will start sharing with you the P&L and the future financial plans.

Business development

Highlights

1. **Hutchison Drei** soft launch planned for May. Public release in June (more information below).
2. **Hutchison Global** - In parallel with the UK discussions, we have been asked to become a Global Integration Partner with Hutchison Global, so we can launch with Hutchison across the world with all of their OPCOs. Currently, moving to LOI, opening us up to 10 OPCOs across the world!!
3. **Allot** - In response to our success with the Rakuten project, we have built a solution that is fully integrated with Allot's security systems, and we have been granted permission to market Keepers within their security services.
4. **Vodafone** - We are currently negotiating with Vodafone Italy to sell our SDK solution that may create a significant upsell with Vodafone either with Allot or directly.
5. **SwissCom** - offered to start a simple pilot project, which will include offering the Keepers product in their physical store, once the results are positive we will negotiate our commercial agreements. That's including our offering to their Insurance division as well.

Clients pipeline

- **Harel** - Harel has agreed to our terms ([link](#)) and they are now waiting for the final approval from the regulator to continue our project. We have been notified that Harel are expecting to launch the solution in September 2021.
- **Bolt** - We have been informed that Samsung (EU) and HKT have found genuine interest in our solution, technical and marketing information has been shared and we have received very positive feedback from Bolt for the possibility of those deals. €65K first integration payment has been received.
- **T-Mobile** we have started a discussion with T-Mobile global operation to see how we can integrate our SDK solution within their current application, technical discussion will follow up the next weeks.
- **HP** global has an advanced conversation with us about adopting Keepers technologies world wide, we have both technical and business discussion. We are waiting for their formal proposal to be shared in the next couple of weeks.
- **Australia** - We have won the Israel economy grant to push our Australian marketing (read more) to gain B2C direct traction
- **Arqia** - Brazil MVNO operator started negotiations with Keepers as a whitelabel solution same as for Entel in Chile and Peru.
- **EA Sports** - We discovered a real interest in our NLP engine to be embedded within their solution as an API platform, currently, we are in early conversations.
- **Japan insurance** - opportunity for SDK integration into Japan's largest insurance provider. Early stages but Keepers' solution readied thanks to Japanese version developed for Rakuten

Update regarding Rakuten (Allot)

We continue with the good progress with the project delivery:

- We have approached Rakuten Sandbox and expect to perform integration and tests with Allot and Rakuten.
- We Delivered Performance and Security test results.
- Acceptance tests in Rakuten environment.
- We are now collecting an additional \$750K from Allot as part of our collaboration.

Hutchison Drei (Austria)

- Final legal review in process completed.
- Final UI and translation updates following feedback.
- NLP engine implemented for Austrian dialect.
- PR plans in process.
- Soft launch schedule for the 7th of May, Internal research focus group scheduled during internal launch phase.
- Digital marketing ready to go (with ACOS Digital).
- Official website has been created ([link](#)).

I will like to say thank you for believing in us and helping us to protect children all over the world

Yours Sincerely,

Aviad, Hanan, and all Keepers Child Safety Team.

