A LETTER FROM SHAI

This month we have (letter from Shai to omniQ. employees

WHAT'S NEW AT Q

New additions to the newsletter and company culture

MONTHLY SPOTLIGHT MONTHLY SPOTLIGHT

BOARD MEMBER

BY KOKO & SAPIR

THOUGH<u>TS FROM THE TOP</u>

SHAI LUSTGARTEN, CEO

omniQ Family,

I hope you're all doing well. I wanted to give you a quick rundown of the awesome news we've shared in May 2023. We've achieved some significant milestones and advancements that I'm thrilled to highlight.

First off, I'm excited to share that our AI-based Border Safety System has received an upgrade with realtime anomaly detection. This state-of-the-art technology enables us to identify unusual speeding of vehicles in high-risk areas, helping authorities respond promptly to potential threats. Our customers have been praising OmniQ for its crucial role in border protection, and in response to their requests, we developed this proprietary acceleration technology in-house. We've successfully deployed it in one of the world's most sensitive areas, and we expect continued success.

I'm also pleased to report that the team's hard work has paid off, resulting in another strong quarter. In QI 2023, we achieved record-breaking revenues of \$27.8 million. What's even more impressive is the rebound in margins, which increased from 16% in Q4 2022 to 21.8% in QI 2023. All our verticals have experienced robust growth, especially our AI sector, which saw sales increase by 88% following last quarter's impressive 100% increase.

Our mobility team has made significant contributions to the overall success of the company, resulting in substantial revenue generation. I take great pride in their exemplary management of partnerships and their ability to identify and pursue new opportunities. Their efforts serve as the foundation of our organization and are duly recognized and appreciated

Our Safe City division has seen a remarkable surge in demand, both from existing and new states where we've expanded. Our growth has been driven by diverse customers and sectors, including safe city initiatives, supply chain management, parking solutions, hospitals, restaurants, and retail establishments. This diverse customer base not only solidifies our growth plans but also demonstrates the widespread demand and success of our technology and services, enhancing the day-to-day operations of these large verticals.

We've also successfully implemented our Machine Vision Yard Management System in the logistics center of Israel's largest sea port. The outdoor kiosks we deployed address the issue of extended wait times during check-ins for truck drivers, providing location guidance for loading and unloading, streamlining operations, and optimizing efficiency. These kiosks also enhance security measures through cutting-edge technologies like cameras, machine vision-based facial recognition, and advanced software to prevent unauthorized access.

I want to take a moment to express my gratitude to each and every one of you for your hard work and dedication. It's because of your efforts that we're able to achieve these remarkable milestones. Let's keep pushing the boundaries of innovation and striving for excellence in everything we do.

Thank you for your continued commitment, and I'm excited to share more exciting updates with you in the coming months.

Warm regards,

Shai Lustgarten CEO

COMPANY VALUES

1. Pursuit of Excellence: We strive for excellence in all aspects of our work, setting high standards and surpassing expectations. Our commitment to delivering top-quality solutions that meet client needs is a source of pride.

2. Continuous Innovation: We continuously innovate and develop cutting-edge technologies, ensuring we remain at the forefront of AI advancements. Our goal is to provide exceptional products and services to our clients.

3. Customer-Centric Approach: Our customers are our priority. We prioritize understanding their unique challenges and delivering tailored solutions. Building long-term relationships and ensuring customer satisfaction is at the core of our business.

4. Safety and Security: We prioritize safety and security in today's world. Our solutions facilitate the secure movement of people, assets, and data. We are dedicated to protecting client interests and contributing to public safety.

5. Results-Driven: We have a results-oriented mindset, setting ambitious goals and working tirelessly to achieve them. Measurable value for customers, shareholders, and employees is our focus.

6. Empowerment: We empower our employees, encouraging ownership, decision-making, and contributions to our success. A supportive environment fosters personal and professional growth.

7. Continuous Improvement: We embrace a culture of continuous improvement, constantly seeking growth and refining our processes. Feedback is valued and used to enhance our products, services, and overall performance.

8. Social Responsibility: We are committed to making a positive impact on society. We contribute to communities and promote sustainability. Our solutions aim to benefit the environment, supporting social initiatives for positive change.

9. Collaboration: Collaboration is essential to us. We work closely with customers, partners, and industry experts, fostering innovation and creating synergies. Open communication and collaboration drive mutual success and positive change.

10. Agility: Agility is crucial in a dynamic business landscape. We adapt quickly to changing market conditions and customer needs, seizing opportunities and staying ahead of the competition.

11. Ethical Standards: We conduct business with unwavering ethical standards. Integrity, honesty, and transparency are integral to our operations. We comply with legal and regulatory requirements, maintaining trust among stakeholders.

12. Continuous Learning: We prioritize continuous learning and professional development. Our employees stay updated on the latest AI advancements and industry trends, fostering growth and expertise.

Members of UnitedHealthcare plans have the following free health & wellness benefits by logging into: myuhc.com

What is Rally?

The starting line for improving your health through a fun, userfriendly digital experience from myuhc.com[®] No additional cost to you as part of your UnitedHealthcare medical plan benefits

Discover Your Rally Health Age

Your Rally Health Age is a measure of how your body feels, in contrast with your real age. Once you know your Rally Health Age, you can start choosing simple activities—called Missions —that you can fit into your life and daily schedule right away.





Do you have an iPhone?

Eligible UnitedHealthcare health plans2 now include a 1-year subscription to Fitness+, at no additional cost

Peloton fan?

Your health plan benefits include a 1-year Peloton App Membership — available to you at no additional cost. Start your membership today for access to everything the Peloton App offers, including thousands of live and on-demand fitness classes — from cardio and HIIT to strength training and yoga.



TRAINING Solution of the second secon





ChatGPT is an AI-based language model that can help streamline your workflow, improve efficiency, and provide valuable assistance with various work-related activities.

To ensure you have the necessary knowledge to make the most of this tool, we are encouraging you to watch the following 30-minute ChatGPT YouTube video tutorial that walks you through the basics of using ChatGPT effectively: <u>https://www.youtube.com/watch?</u> v=jHv63Uvk5VA

By learning how to use ChatGPT proficiently, you'll be able to: Accelerate Information Retrieval: ChatGPT can quickly search through vast amounts of data, documents, and resources, enabling you to access the information you need in a fraction of the time.

Assist with Research: Whether you're working on a project, preparing a report, or conducting market research, ChatGPT can provide valuable insights, relevant data, and even suggest sources to enhance your research process.

Improve Writing and Editing: ChatGPT can assist you with proofreading, suggesting improvements to sentence structure, grammar, and vocabulary, thereby enhancing the quality of your written content.

Enhance Decision-Making: ChatGPT can analyze data, create excel formulas, provide insights, and assist in decision-making processes by presenting alternative solutions or suggesting potential approaches based on available information.

We encourage you to watch the training video to familiarize yourself with ChatGPT's capabilities. Once you have acquired the necessary skills, you will be able to harness the power of this tool to optimize your workflow, increase efficiency, and deliver exceptional results. If you have any questions or need further assistance, please don't hesitate to reach out to the HR or IT department. We are here to support you every step of the way.

Wishing you success in mastering ChatGPT and leveraging its benefits in your day-to-day work!

MEET MINA

In this edition of our spotlight, we honor Mina Teicher, a remarkable board member whose story serves as an inspiration to us all. Mina's involvement in commemorating the tragic Holocaust massacre in the Lithuanian town of Malat showcases her deep personal connection to the event. Joined by fellow descendants, she marched to honor her lost family members and preserve their memory.

What made the march even more powerful was the unexpected solidarity of thousands of Lithuanians who chose to confront history together. Mina's unwavering commitment to advancing education and science has also left a lasting impact within our organization.

As we shine the spotlight on Mina Teicher, we honor not only her personal journey but also the resilience and determination she embodies. Her participation in the march of remembrance and her unwavering commitment to advancing education and science make her an inspiration to us all. By recognizing the past, confronting history, and working towards a better future, Mina Teicher exemplifies the values that define our organization. Let us celebrate her achievements and draw inspiration from her remarkable story as we continue to make a positive impact within our community and beyond.

"I marched in memory of my grandfather, uncles, great uncles and cousins, the entire extended family, 51 men women and children that were murdered by the Lithuanian Nazies "



IMPROVING COMPANY CULTURE

We are excited to introduce a new initiative aimed at fostering continuous improvement within our organization. Starting this month, we will be conducting a periodic survey to gather valuable feedback from our employees on various aspects of our organization.

Your input is crucial to help us identify areas where we can enhance our operations, policies, and overall employee experience. We genuinely value your opinions and believe that your feedback will play a vital role in shaping our future decisions and initiatives.

The survey will cover a range of topics, including but not limited to: workplace culture, communication, professional development opportunities, and employee well-being. It will be designed to be user-friendly and take no more than a few minutes to complete.

Your participation is completely voluntary, but we strongly encourage you to take part. Your anonymity will be respected throughout the process, ensuring that you can freely express your thoughts and opinions.

The insights we gather from these surveys will be carefully analyzed and used to inform action plans and improvements. By continuously listening to our employees, we aim to create a workplace that nurtures collaboration, growth, and overall job satisfaction.

We will be sending out the first survey this month and you will receive a separate email with a link to access it. We sincerely appreciate your time and willingness to contribute to our ongoing journey of improvement.



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