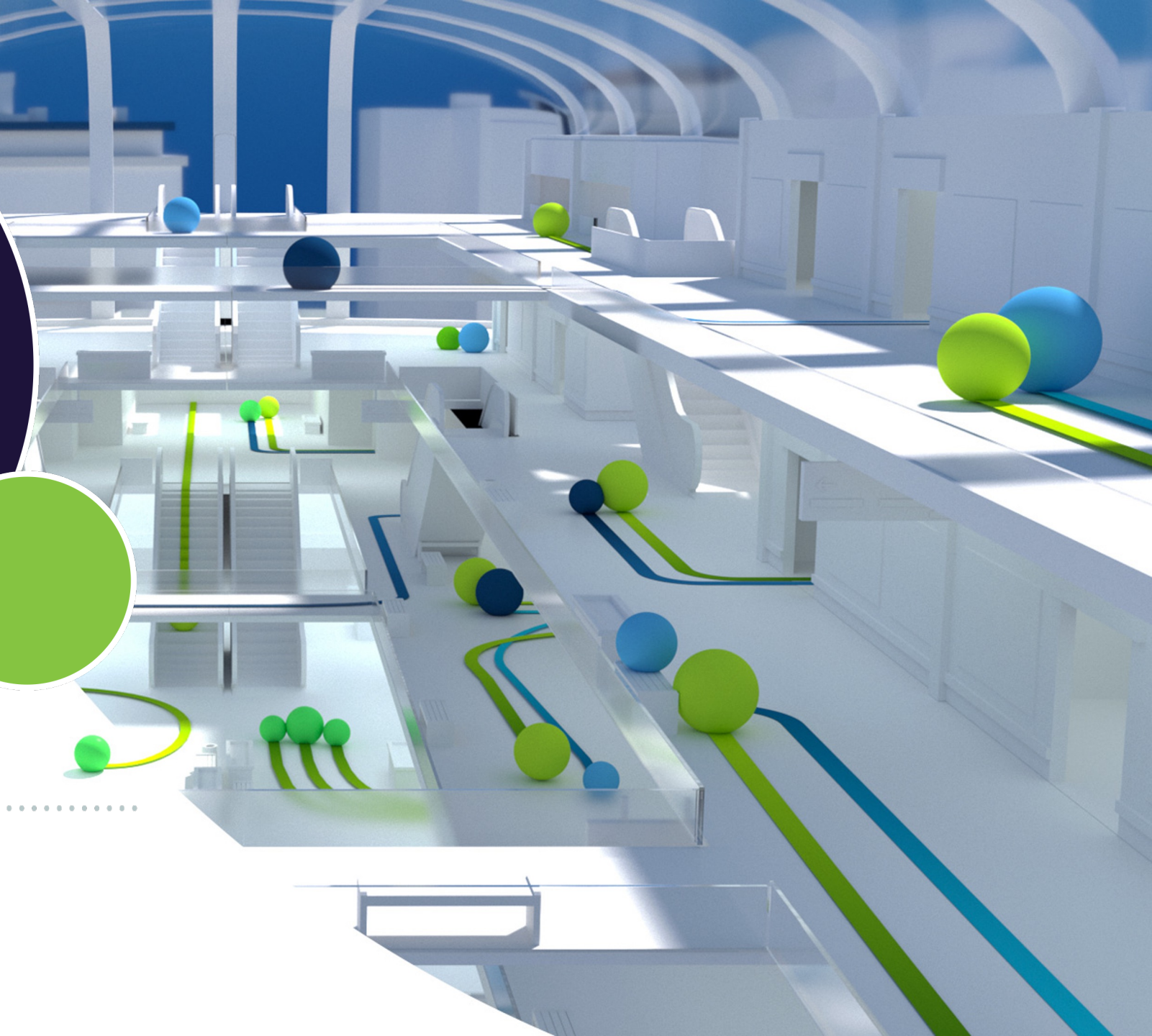pathr.ai™

YOU CAN LEARN A LOT FROM A DOT.

INVESTOR **OVERVIEW**

December 2021

- **World's first real-time spatial intelligence platform built for scale**

- **Currently in paid pilots with major retailers, manufacturers, mall operators, and commercial real-estate firms**

- **Seed funding led by National Grid Partners in May 2021 – seeking additional capital to scale through 2022**

PROBLEM

What are people doing in physical spaces?

Operators DON'T KNOW.

Data about physical spaces is very limited. Digital analytics for the physical world don't exist today that provide real-time, actionable intelligence in a scalable way.

SOLUTION

Understanding the Customer

For operators of physical space, knowing specifically what people are doing in the building (Spatial Intelligence) helps them monetize the space better.

Building operators need Pathr's Spatial Intelligence

- Data-driven approach to set lease rates for store locations or advertisements based on popular routes

- Grocers and other retailers can set slotting fees based on data rather than guesswork

- How long are building tenants waiting in the elevator lobby?

- Knowing if staff is selling effectively or is addressing lost or confused visitors

- Dynamically guiding staff to their best and highest use can reduce staff hours

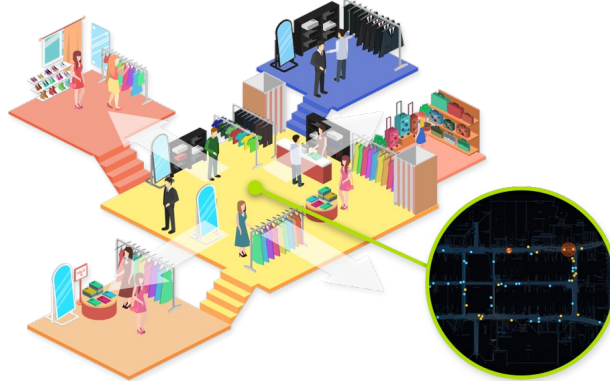- Data driven space design optimization and configuration
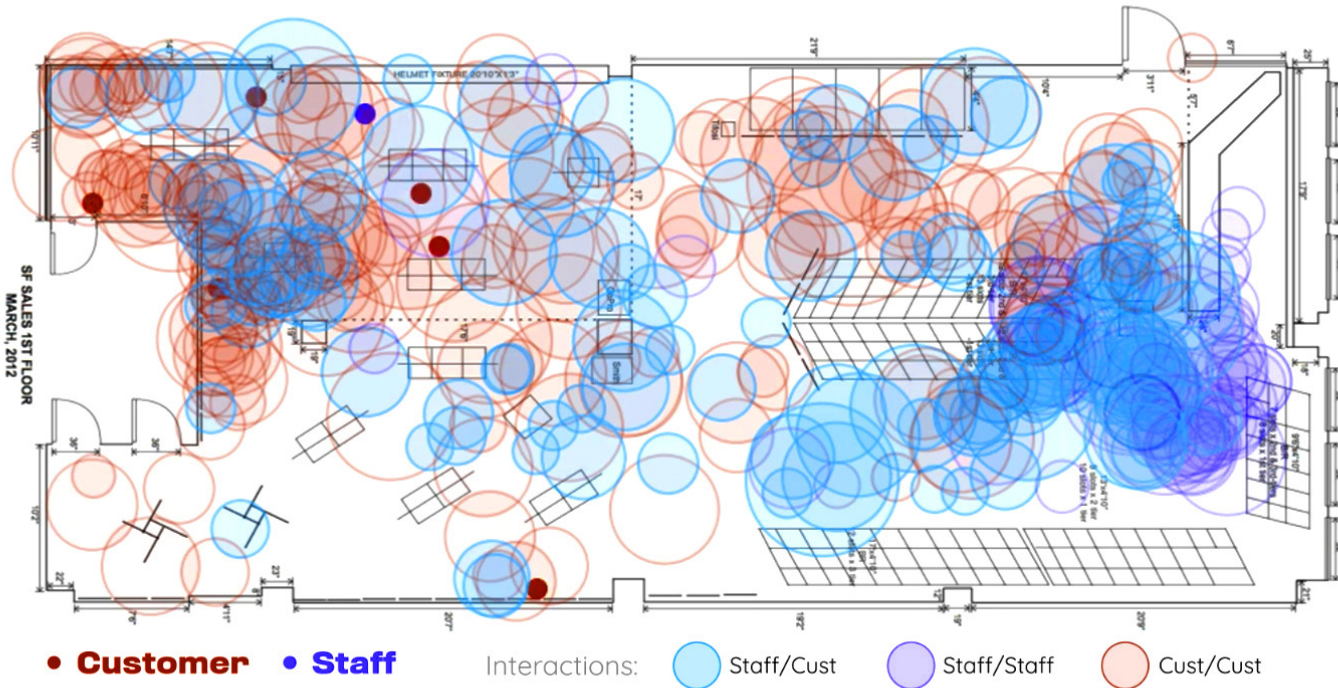
Industrial
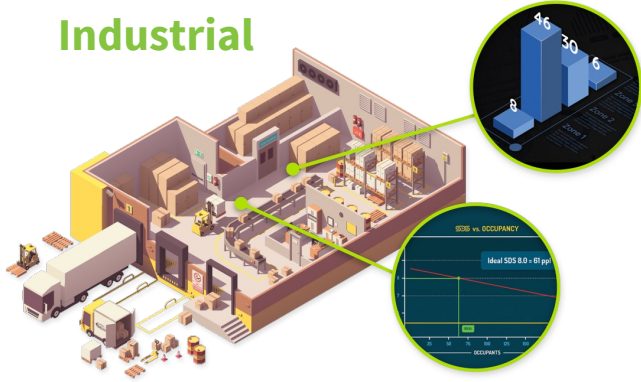
Retail

Hospitality

Banking

Shopping Malls

Smart Cities

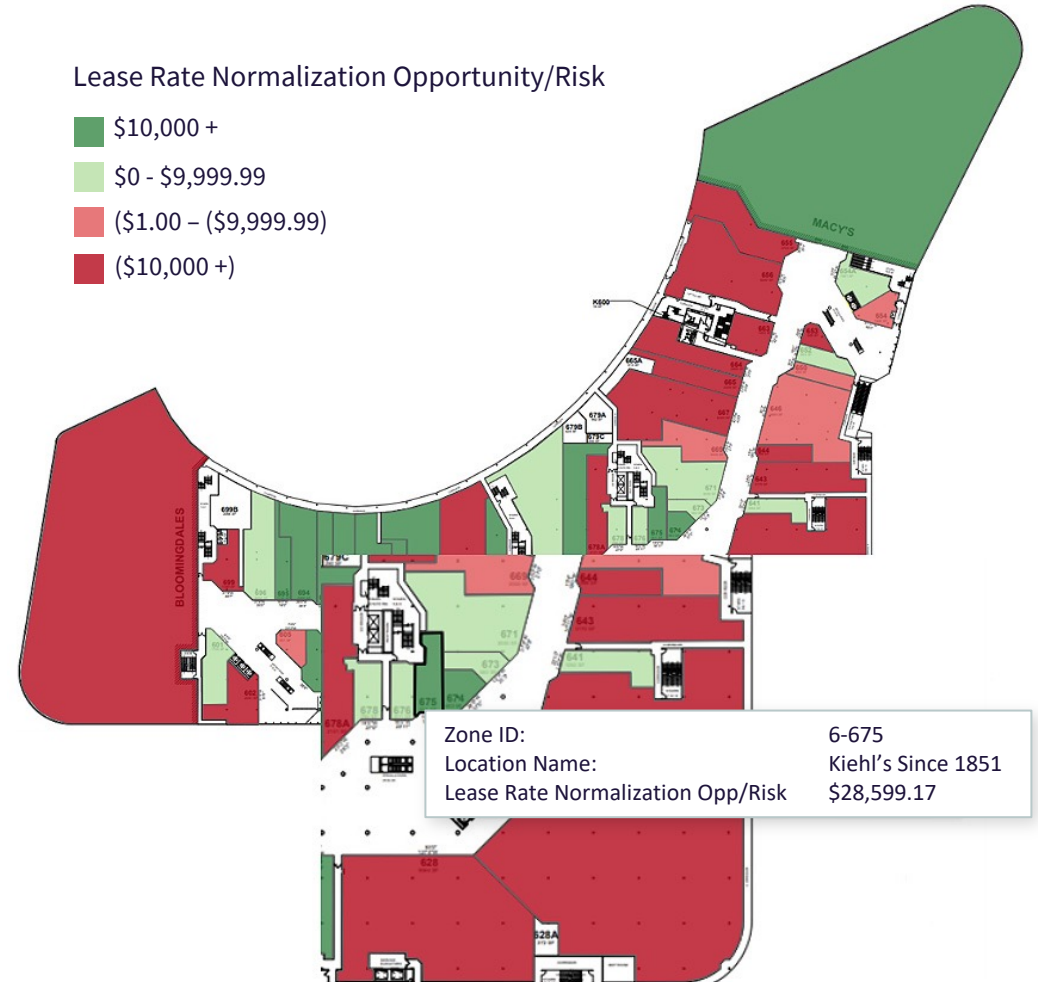**We use machine learning to understand human behavior.**

Example:

Here, our Behavior Engine finds each instance of staff and customer interaction to guide staff selling behavior in a specialty retail store.

Example:

Improve mall and shopping center lease rates by normalizing lease pricing via traffic, dwell time, and entrance count analysis.

Lease Rate Normalization Opportunity/Risk

- $10,000 +
- $0 - $9,999.99
- ($1.00 – ($9,999.99)
- ($10,000 +)

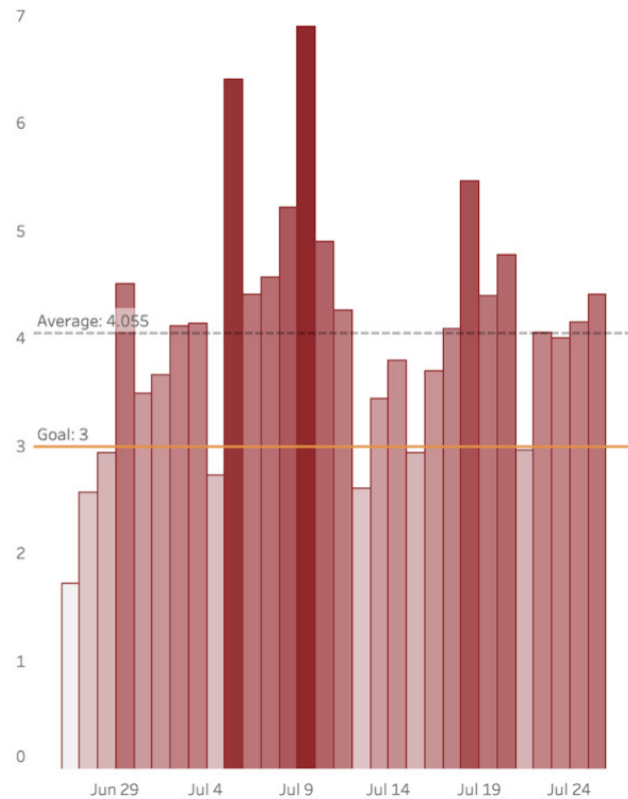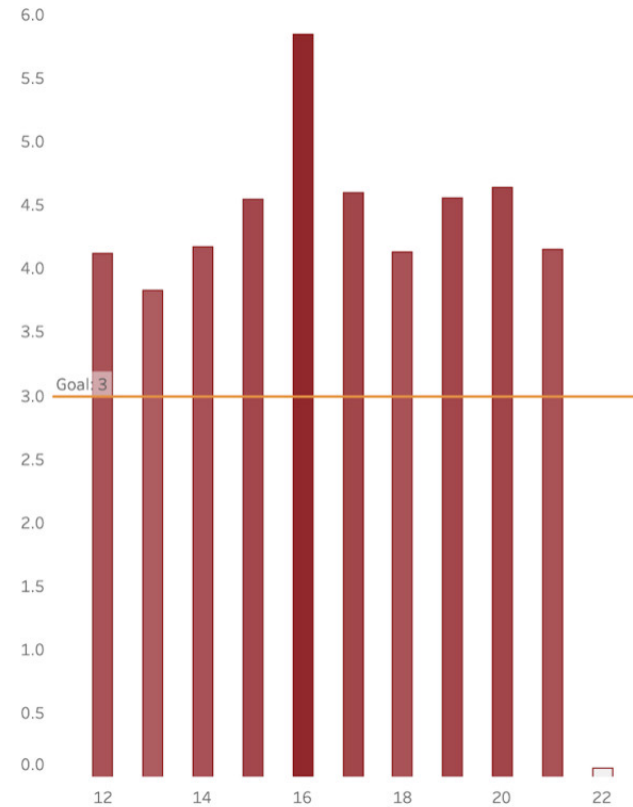| Zone ID: | 6-675 |
| Location Name: | Kiehl's Since 1851 |
| Lease Rate Normalization Opp/Risk | $28,599.17 |

Queue Efficiency   TJX   T·J·maxx   T1148

Cashier Queue rotation = PEOPLE IN QUEUE / ACTIVE REGISTERS
Click on a day on the left to see it's hourly breakdown on the right
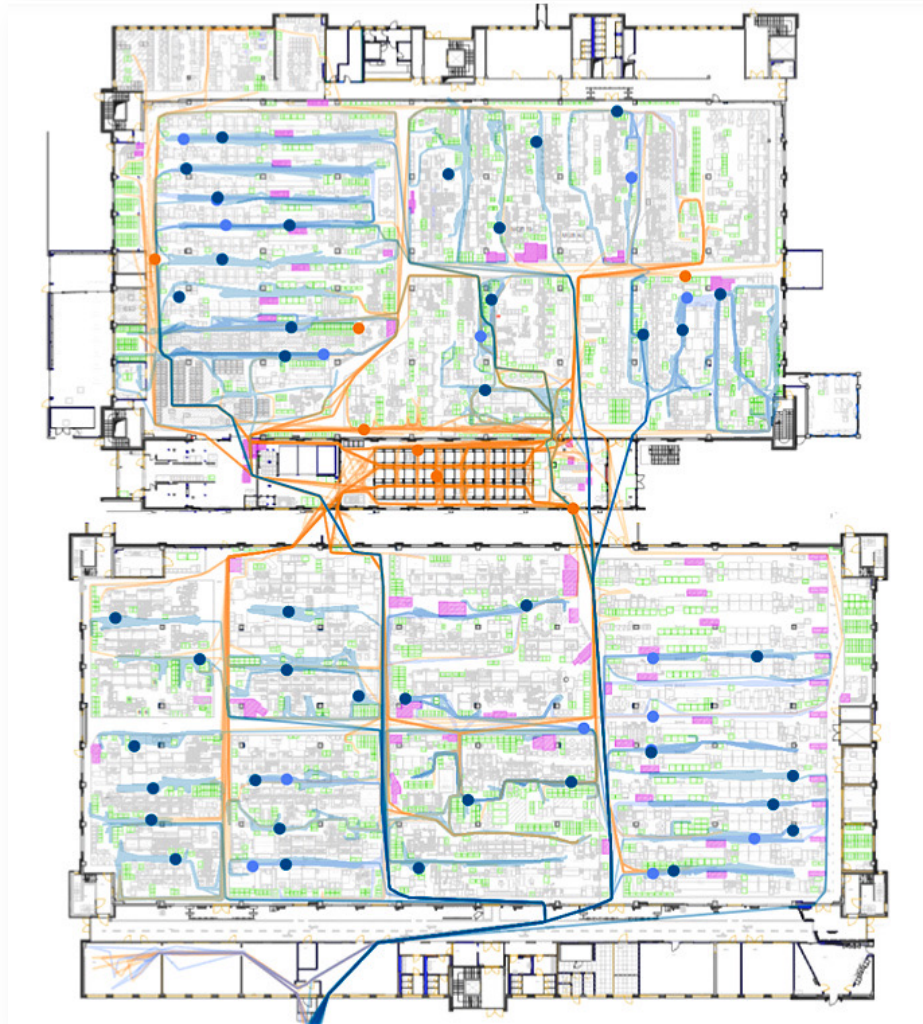
**Daily Cashier Queue Ratio**

Hourly Cashier Queue Ratio

Example:

Monitor queues in order to maintain an ideal customer to staff ratio, maximizing customer satisfaction while minimizing staff hours.

8

Understand how employees are spending their time when not in their primary workspace

- Conference rooms

- In transit

- Common Areas

- Dining Areas

- Breakrooms

- Other

• **Customer**   • **Staff**   ● **Suspicious Behavior**
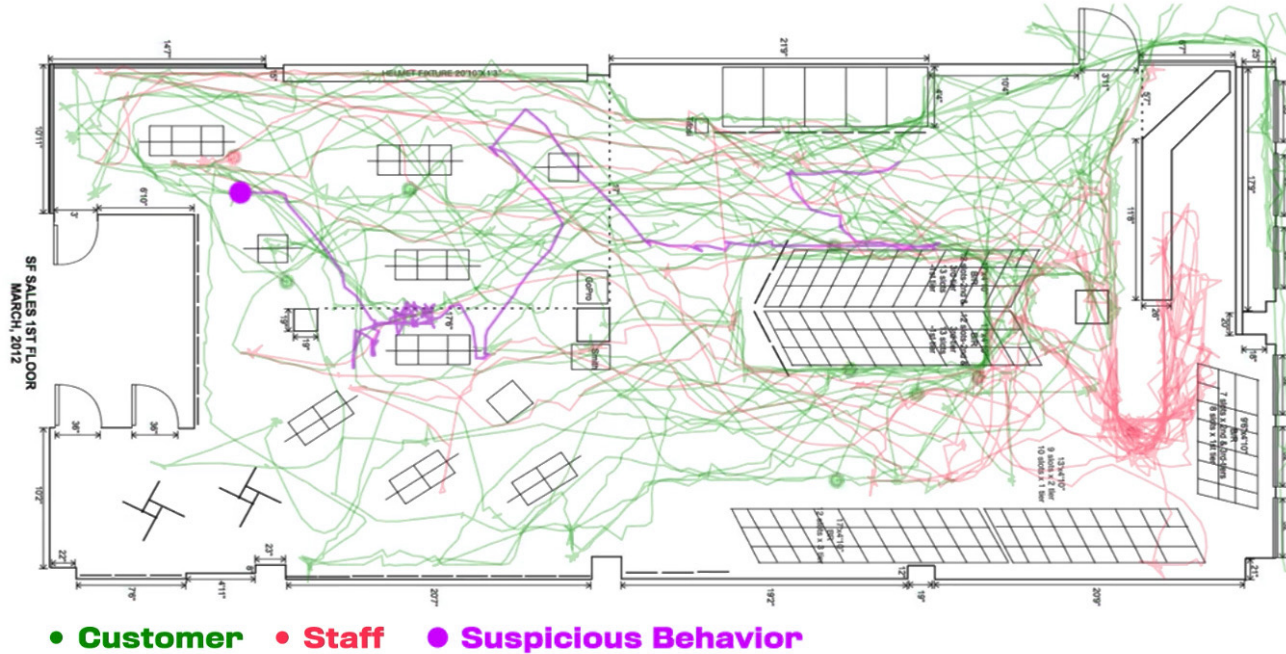
Example:

Identify anomalous behavior and send alerts to prevent negative outcomes (theft, injury, other) in real time

Example:

Understand utilization rates for all resources, provide real-time availability for all amenities of interest and encourage utilization during low use periods – in any context (CRE, Smart Cities, Retail, Industrial, Malls, etc.)
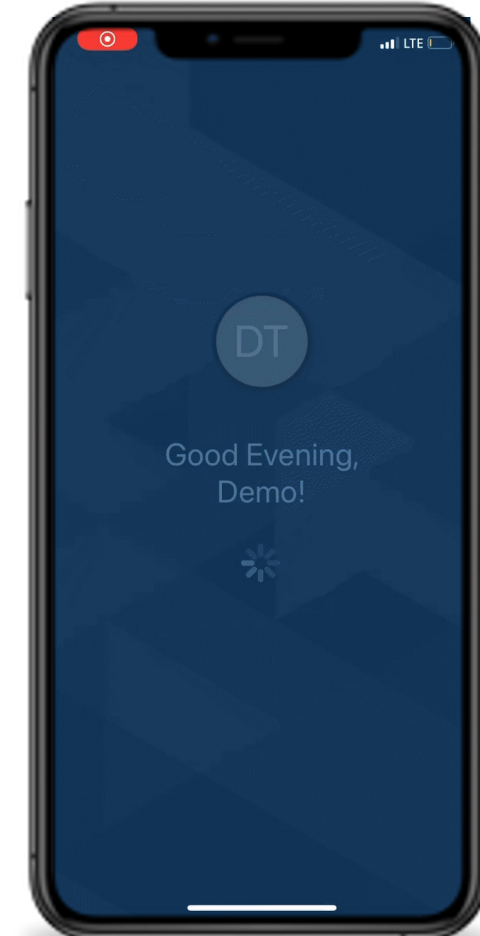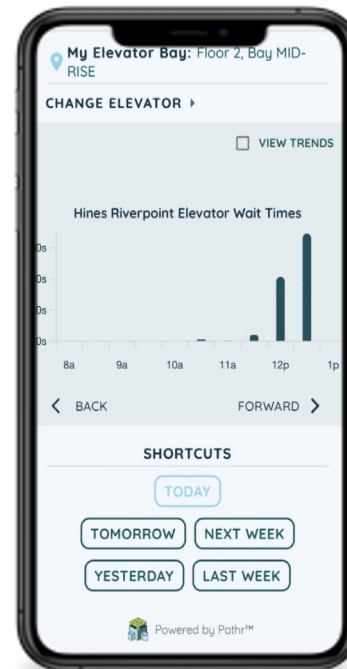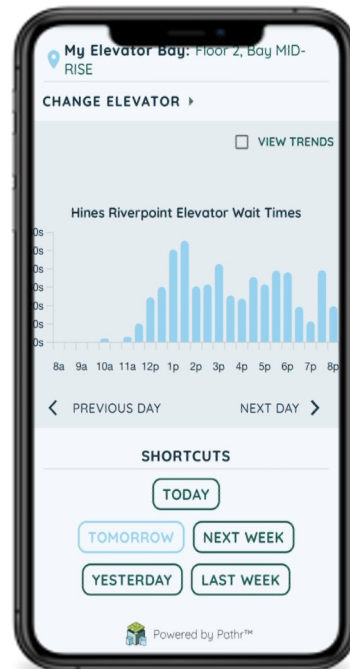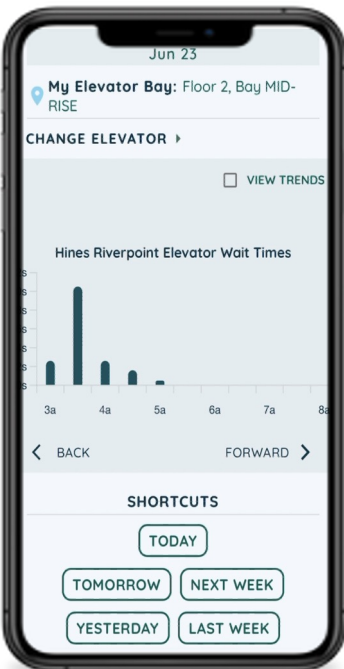
George Shaw
Founder and CEO
- Vision and technical leadership
- Intel, RetailNext
- Inventor of Spatial Intelligence

Alan Flohr
Chief Revenue Officer
- Sales, partners, demand generation, client growth
- SaaS start-up specialist

Zoey Cayetano
Head of Product
- Product strategy and vision
- Intel, ASU Data Science

Jason Sadowski
Head of Data Science
- Data
- Rutgers, UC Davis

Scott Lipsig
Head of Engineering
- Software
- Atlassian, Typeform

Paco Underhill
Strategic Advisor @ Envirosell; Author @ "Why We Buy"

Mario Ciampi
Founder and managing partner @ MCII Advisors LLC

Allan Haims
Principal @ ASER Marketplace; Board Member, Advisor

Allan Rony Kubat
Co-Founder & CTO @ Tulip

Nate Ngerebara
Attorney @ Weil, Gosthal and Manges LLP

Birju Shah
Adjunct Professor @ Northwestern; Formerly Head of Product @ Uber

Stacey Widlitz
President & Chief International Store Hunter @ SW Retail Advisor

Ken Jackowitz
Chief Strategy Officer & General Manager @ TideSmart

Steen Graham
Founder @ Stealth Startup; Formerly Edge AI Ecosystem General Manager @ Intel

Executive Advisor

Michelle Shevin
Senior Program Manager @ Ford Foundation; Adjunct Professor @ NYU

Bharat (Bart) Meditatta
Engineering Fellow @ Coinbase; Strategic

12

STANDARD

amazon go

AIFI

Current large investments in store automation do not scale because the capex is unrealistic, and the cultural transformation required is insurmountable.

Prodco
Footfall Tracking Analytics

RetailNext

ShopperTrak

Incumbent retail analytics providers do not go deep enough and require huge capex.

unacast.

buxton

Placer.ai

Cell phone tracking violates consumer privacy, doesn't tell a complete story, is inaccurate, and ultimately is a brittle industry.

THE ROBIN REPORT
PROVOCATIVE, OPINIONATED, UNBIASED.

"Brick-and-mortar retailers can now gain deeper insights into their customer behavior with the power of Pathr's spatial intelligence platform. This is a game-changer in today's market that empowers every retailer with the knowledge to accelerate their sales growth."

— Robin Lewis, The Robin Report

Hines

"Delivering an exceptional tenant experience and workplace environment is a core aspect at River Point. Within our tenant engagement app, Pathr.ai's spatial intelligence solution has been essential to providing tenants with optimal times to use our elevators, helping them feel more comfortable and safer as they return to the office. We've received strong tenant usage of Pathr.ai's elevator wait time analytics, helping to increase our building tenant capacity from 20% to 25% in the last few weeks."

— Michelle Nanni, General Property Manager at Hines

"I believe in intelligent observing and for most of my working life have built tools to that end. Pathr.ai is on its way to a better mix of Art and Science — which for AI is the mother lode. We live in an analog world — and digital tools need to reflect that. My role in Pathr.ai is to keep the company focused, not on simply collecting data, but winning victories for their clients."

— Paco Underhill, Author "Why We Buy"

Here's how this startup is helping companies understand how people move about their stores and shopping centers - Silicon Valley Business Journal

MIT Startup Exchange Announces Fall 2021 Additions to STEX25 Accelerator - MIT Startup Exchange

The Future of Grocery is Here Live at GroceryShop 2021 – MarketScale

Applying Spatial Intelligence to CRE Operations - GlobeSt.com

Just-released AI software lets shopping center cameras capture and analyze shoppers' movements - ICSC

Pathr.ai Expands Beyond Retail; Unveils New Sensor Layer - GlobeNewswire

Pathr.ai™ Selected to Join Microsoft for Startups Designed to Help Startups Quickly Scale - Pathr.ai Medium

3 subscription clients poised for growth

- $8MM ARR at scale

6 active pilots pending conversion to subscription

- $39MM ARR at scale

Robust Pipeline – 49 opportunities and growing

- $300MM at scale *See Pathr Investor Pipeline 9-30-21 for additional detail (update)

Scalable Demand Gen Infrastructure in place

- Pathr Leadership Council – 26 members producing leads e.g. Neiman Marcus, Under Armour, New Balance

- Partner Network – dozens of active partner relationships

Deal Name	Deal Stage	Gross Value at Scale	Probability Wtd Annual Run Rate	Comment
Hines	Expansion	$5,700,000	$940,500	Gross Value per Hines business case model
Moncler	Expansion	$1,353,600	$223,344	282 locations – gross value per revenue model
Taubman	Expansion	$864,000	$142,560	Gross Value per Taubman business case model
Citi Trends	Pilot	$3,500,000	$1,029,600	Gross Value per Citi Trends business case model
ICA – Ombori	Pilot	$6,240,000	$577,500	1,300 locations – gross value per revenue model
Kohls	Pilot	$5,553,600	$916,344	1,157 locations – gross value per revenue model
Mike's	Pilot	$57,600	$9,504	12 locations – gross value per revenue model
TJX	Pilot	$21,600,000	$3,564,000	4,500 locations – gross value per revenue model
Wakefern	Pilot	$1,728,000	$285,120	360 locations – gross value per revenue model
JR East	Discovery Call	$8,160,000	$403,920	1,700 stations – gross value per revenue model
Big Lots	First Meeting	$6,720,000	$168,000	1,400 locations – gross valuer per revenue model
Albertsons	First Meeting	$13,700,000	$342,500	Gross Value per Albertsons business case model
Ahold U.S.	First Meeting	$9,600,000	$240,000	2,000 locations – gross value per revenue model
Lowes Foods	First Meeting	$384,000	$9,600	80 locations – gross value per revenue model
Jamestown U.S.	First Meeting	$3,000,000	$75,000	Gross Value estimate
Brookfield Property	First Meeting	$3,000,000	$75,000	Gross Value estimate
Nat Grid – Critical Infrastructure	First Meeting	$1,000,000	$25,000	Gross Value estimate
National Grid – Smart Building	First Meeting	$1,000,000	$25,000	Gross Value estimate
Cushman & Wakefield	First Meeting	$3,000,000	$75,000	Gross Value estimate
Dick's Sporting Goods	First Meeting	$4,099,200	$102,480	854 locations – gross value per revenue model

- We've built a 20 person US-based rockstar team
- We have a better pipeline than companies 5x our size
- We have a product that will change the way the world works
- Additional time required due to Covid-related slowdowns

Current Monthly Burn: **$285k ($250k payroll / $35k other)**
Cash on hand: **$1.5MM**
Cash-out (with no revenue): **May 2021**

2021 Revenue: **$229k ($800k ARR run-rate)**
Ground-up revenue model predicts $9MM ARR run rate by Q4 2022

Assumptions for next raise: must prove ability to scale in order to drive desired valuation

- A predictable sales engine that reliably generates new pilots
- Proven ability to convert pilots into ongoing subscription customers

$2-4MM Seed-extension Q1 2022

SAFE w/ $20MM cap first $2MM

cap increases to $22MM for additional $2MM

Reduce burn to < $250k

Increase team only as a function of revenue

New expected cash-out: Jan 2023

A-round fundraise Q4 2022

Thank You.

For more information:
sales@pathr.ai

Spatial Intelligence was creeated as part of the Human Speechome Project by Pathr CEO George Shaw and his colleagues at the MIT Media Lab.
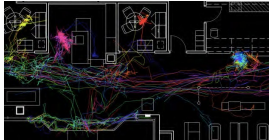
George and Pathr Advisor Ken Jackowitz first adapted Spatial Intelligence for industry to meet Bank of America's business needs as part of MIT's Center for Future Banking.
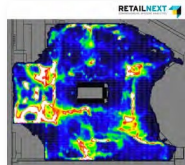
George and his team brought Spatial Intelligence to retail while he was VP of R&D at analytics powerhouse RetailNext.
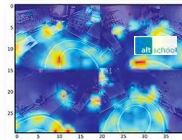
With George as Head of Data Science, Second Spectrum used Spatial Intelligence to revolutionize the way NBA players and fans enjoy the game of basketball.

Silicon Valley startup AltSchool applied Spatial Intelligence to classroom education with George as their head of R&D.

George was a Principal Engineer at **Intel** and the Platform Architect for the **Responsive Retail Platform**, a software platform for in-store computer vision, fueling Spatial Intelligence use cases.
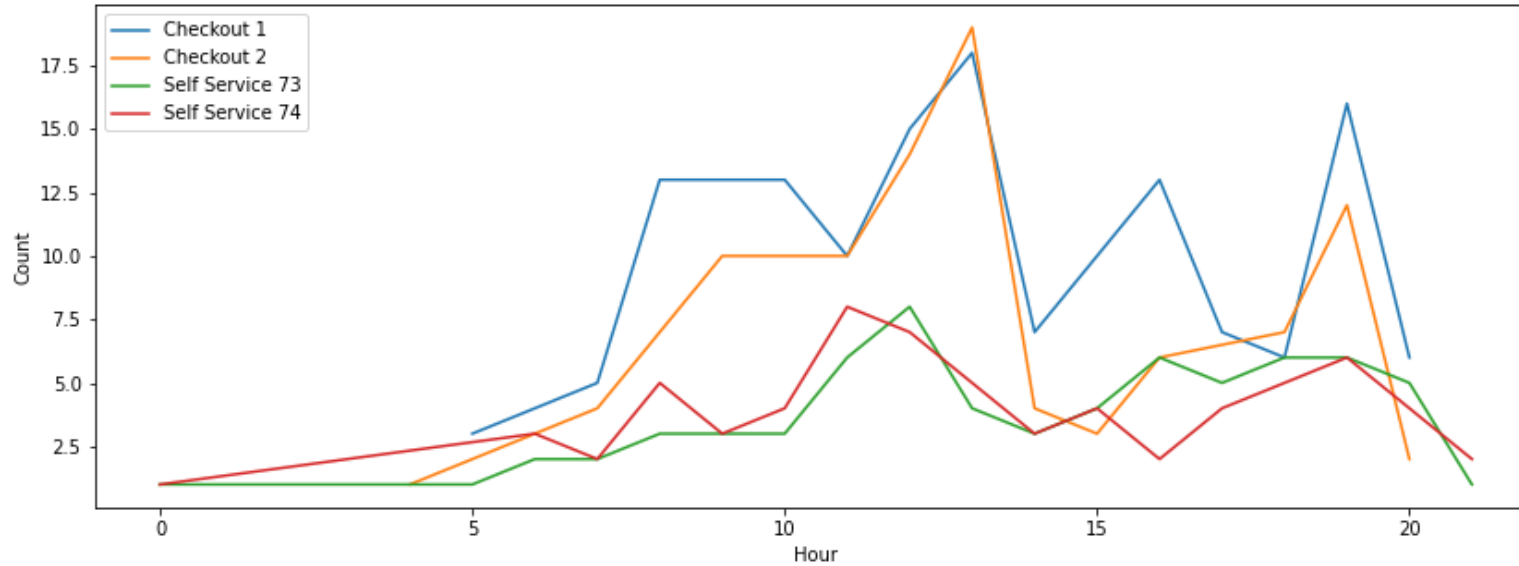

Pathr is the world's first real-time Spatial Intelligence platform.

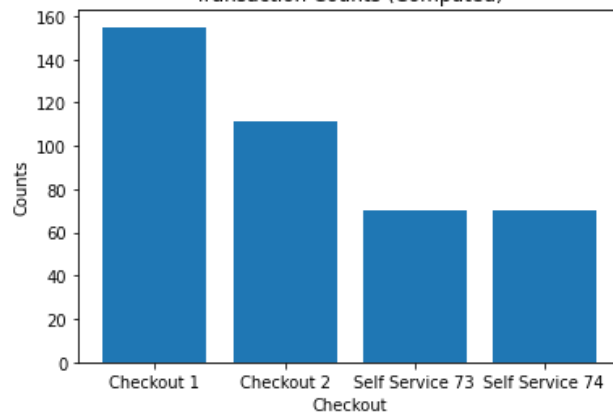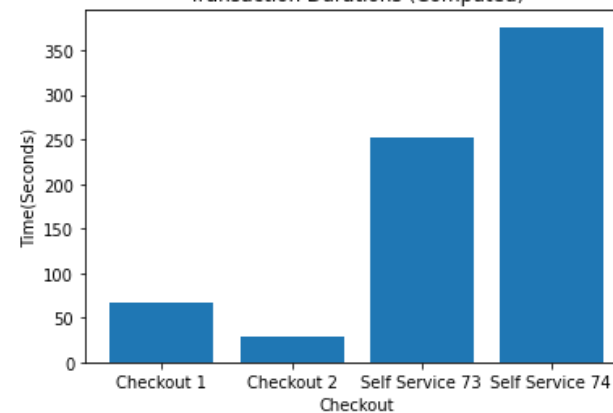# Don't just count traffic – get true conversion rates by understanding traffic *and* group sizes

Group Size: 3

Total traffic for the day: 1,683

91% N
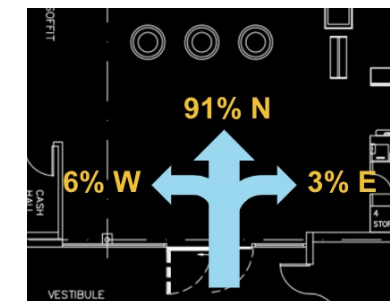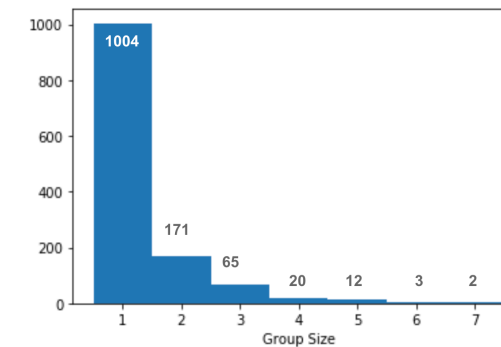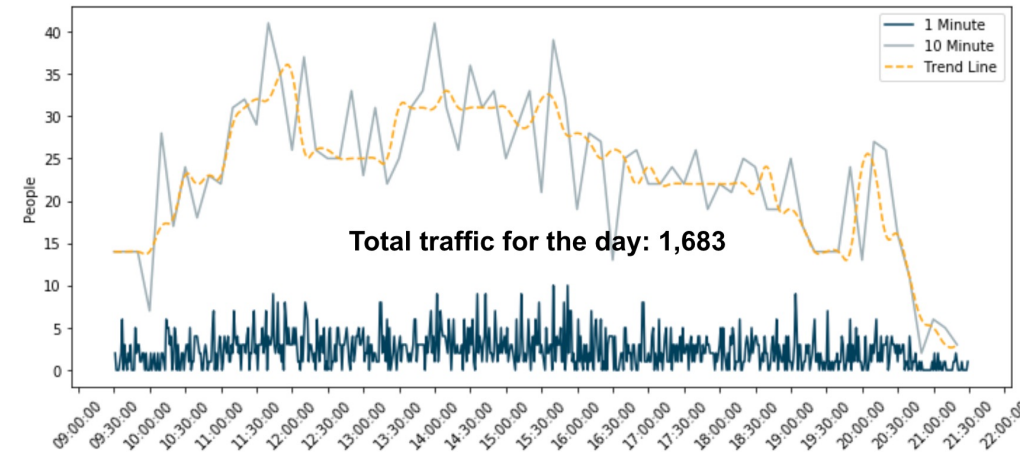
6% W   3% E

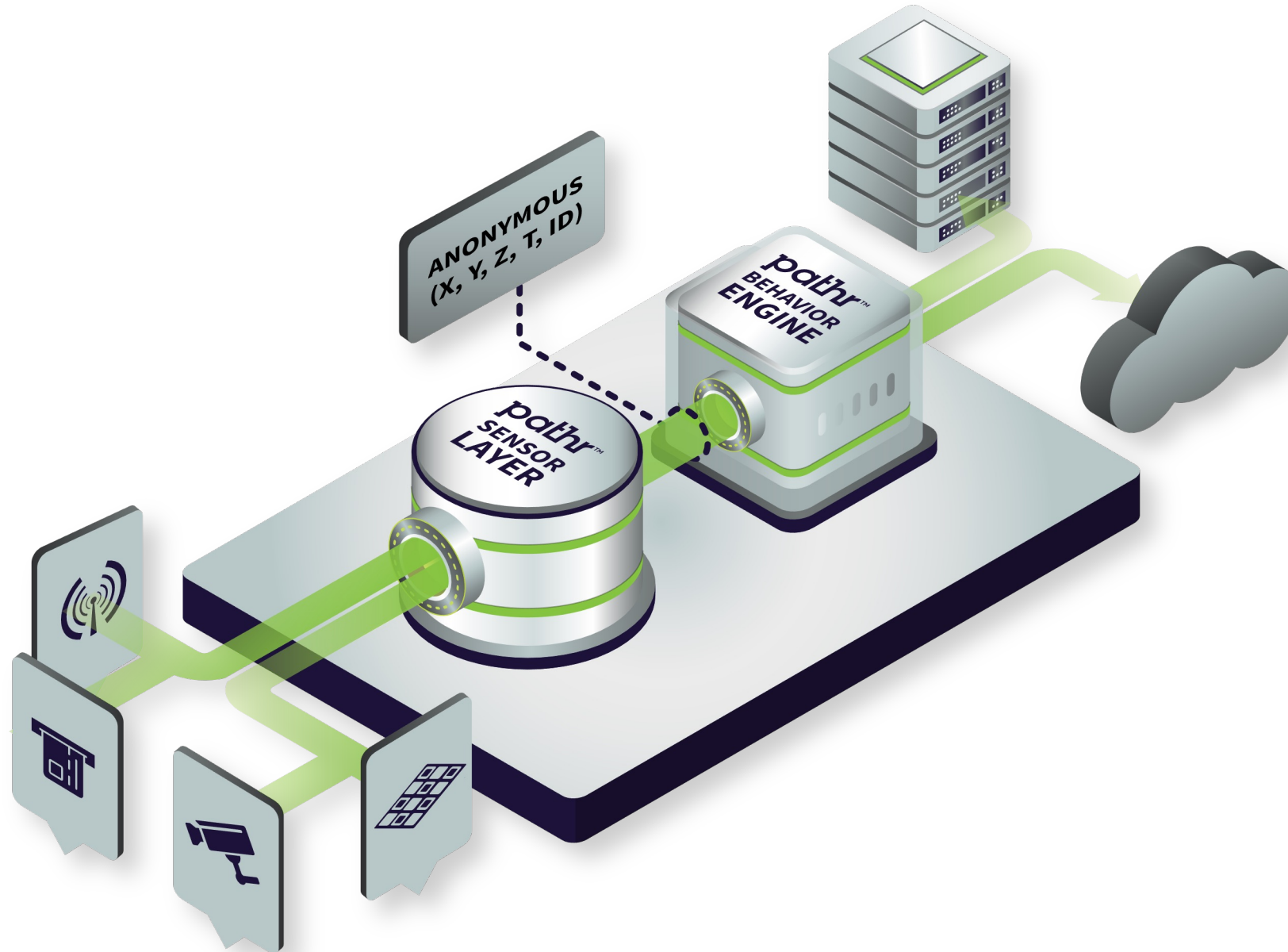**Optimize store operations and direct employees to their best and highest use at all times, in real-time**

21
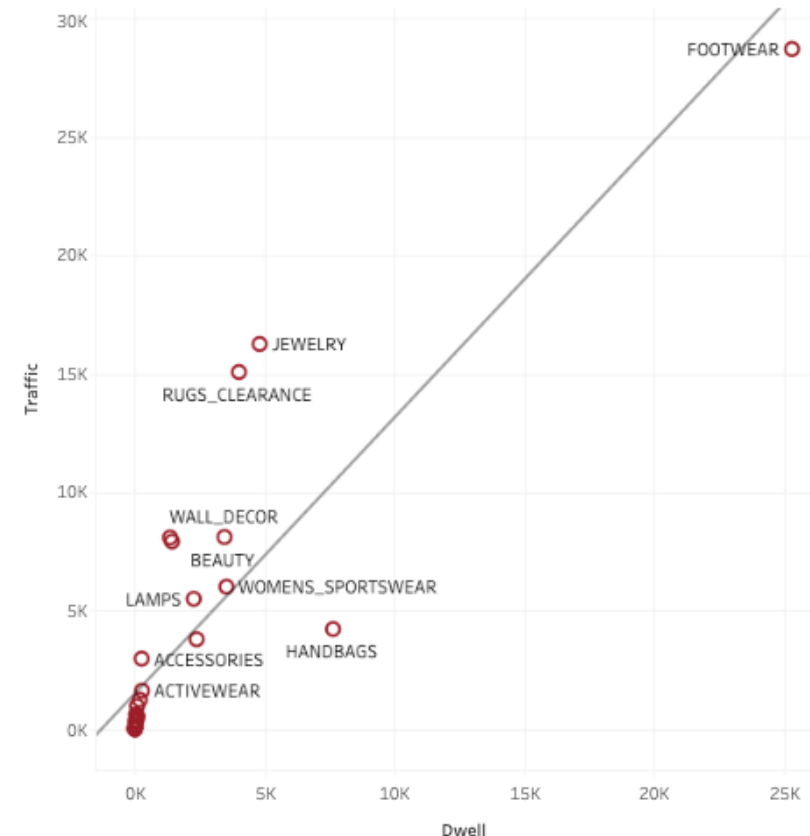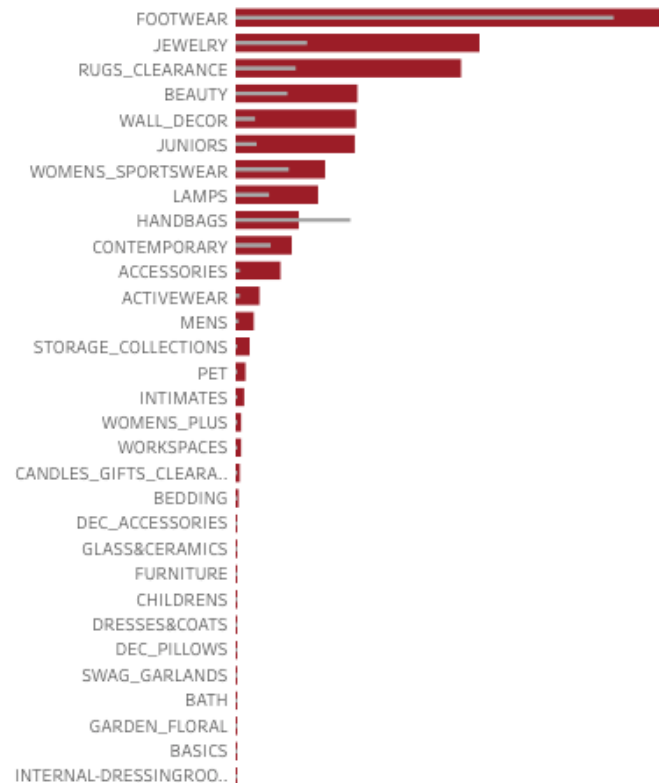
Example:

Leverage traffic and dwell insights to identify new merchandising opportunities

Align customer traffic patterns to items featured in each area of the store

ANONYMOUS
(X, Y, Z, T, ID)
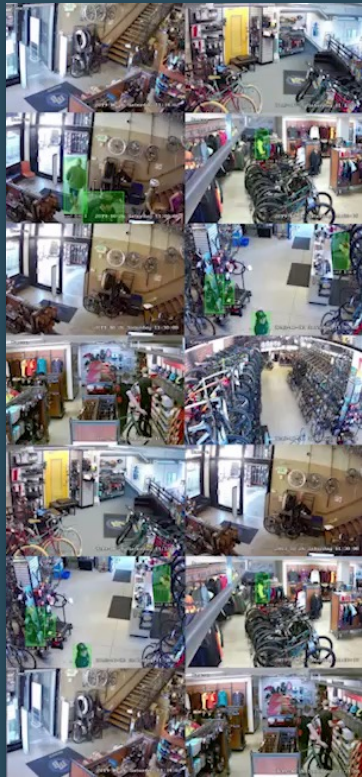
pathr
SENSOR LAYER

pathr
BEHAVIOR ENGINE

IoT Integration Layer
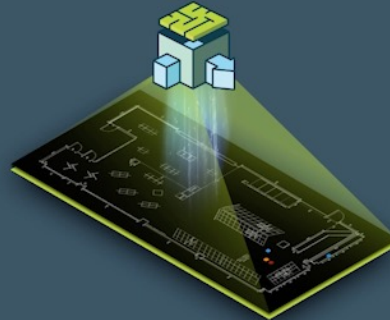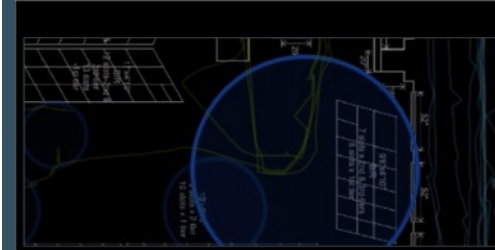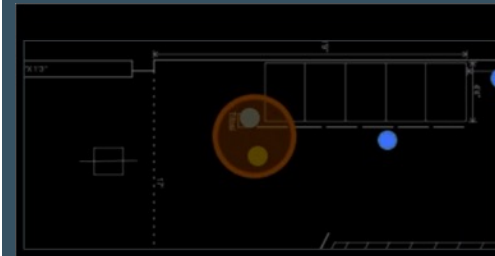
Business Outcomes Layer

Data Collection
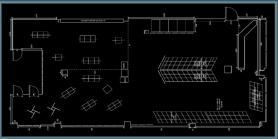
Location Extraction

Spatial Projection

Behavior Engine

Actionable Insights

+10x Annual ROI

Fast time to value (< 90 days to proof of value)

Low up-front investment; pay as you expand model

Leverage existing infrastructure
 - Extracting more value from current asset base

* Above validated with client business models now built into routine sales process *

Commercial Real Estate Business Case

Assumptions

Business

- **100,000,000** Owned Square Footage
- **200** Number of Locations
- **500,000** Average Sq Ft per location

Financial impact driven by tenant satisfaction with Pathr™ enabled Smart Building operations

- Amenity availability information, reduced wait time, and improved utilization
- Elevator wait time information
- Service level/responsiveness and reduced wait time for on-site commercial services (restaurants, shops, etc.)
- Security staff effectiveness and availability/presence when needed

Pricing/Rental Rate Improvement

- **$50.00** Price per Sq Ft per Year Average

1

DISCOVERY

Define requirements, objectives, success criteria and financial return targets

2

ONBOARDING

Get access to cameras, video management systems, and on-boarding cloud infrastructure (if applicable)

Develop analytics and model for applicable use cases

Design reporting and dashboards

3

TRIAL

Engage in 30-day pilot

4

SUBSCRIPTION

Roll out to multiple Client locations on an ongoing subscription

Pathr-edge device runs on-prem

Connects to local sensors (e.g. cameras) and other on-prem services like notification systems

Analytics data is sent securely to cloud for aggregation across locations and viewing in reporting tools like dashboards

System scales to many locations / many sensors per location
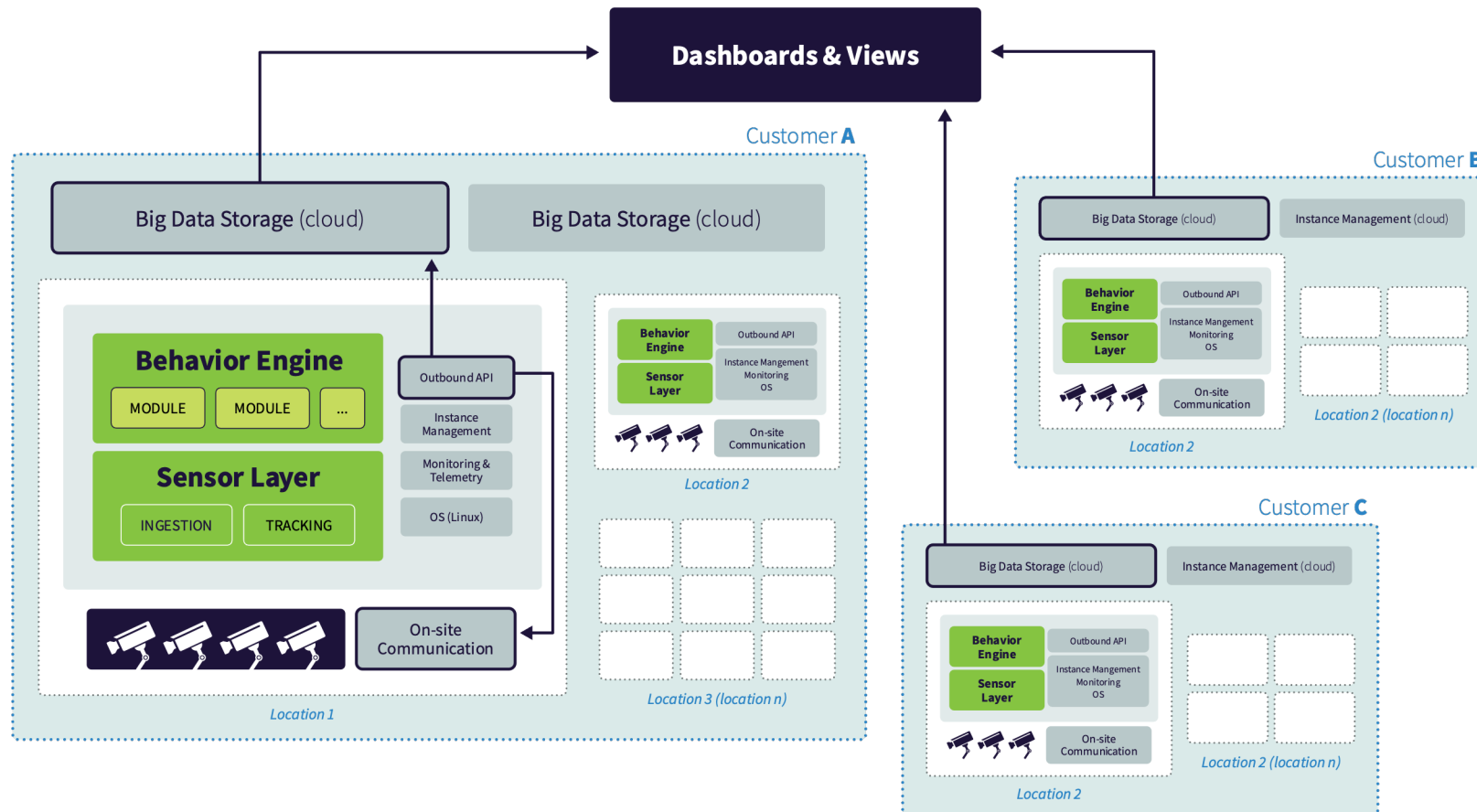
Pilot

- o $10,000 Cost per location for standard locations (ex: typical retail location) – software set-up and subscription fee; pay for server upon conversion
- o $20,000 Cost per location for complex locations (ex. Shopping Mall); pay for server upon conversion
- o   1 Month Standard pilot duration
- o $5000 Cost per location per month to extend pilot Period
- o $2500 Typical hardware cost per location (Pathr may loan hardware for pilots – negotiable point – varies by location characteristics, number of cameras, etc.)
     Small $1,000 | Medium $2,500 | **Large** $15,000
- o $2,500 Installation cost per location (client local staff); custom bid for 3rd party installation services if needed

Subscription

- o $500 Cost per location per month for standard locations (ex: typical retail location) – software set-up and subscription fee
- o $3,000 Cost per location per month for large spaces like shopping malls, warehouses, etc.
- o $2,000 Cost per location for commercial real estate
- o $2,500 Typical hardware cost per location (varies by location characteristics, number of camers, etc.)
     Small $1,000 | Medium $2,500 | **Large** $15,000 * *Pathr or client can provide*
- o $2,500 Installation cost per location (client local staff); custom bid for 3rd party installation services if needed
    - •   **10% Discount** for subscriptions over 200 locations
    - •   **20% Discount** for subscriptions over 500 locations (progressive)
    - •   **30% Discount** for subscriptions over 1,000 locations (progressive)
    - •   **40% Discount** for subscriptions over 2,000 locations (progressive)