



# Corporate Overview

February 2017

<http://www.u-vend.com/>

# Welcome!

1. Forward-Looking Statements
2. What We Do
3. The Team
4. The Business
5. The Opportunity
6. Growth Strategies
7. Financial Summary



## THE AGENDA



## Forward-Looking Statements

This presentation may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us and our affiliate companies, that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements.

This presentation is supplied for informational purposes only and does not constitute (1) an offer to sell, or solicitation of an offer to buy, and securities of U-Vend, Inc. or (2) a promise or representation that any such offer will be made to the recipient or any other party. This presentation contains confidential information regarding U-Vend, Inc.

# What We Do

**U-Vend's diversified, multi-channel revenue base includes the following business segments:**

- ***Professional Sports-Themed Brands***
  - Currently the Official Ice Cream of Major League Baseball, others pending
  - Marrying fantasy sports phenomenon with consumer product sales and sports collectibles
- ***Wholesale Distributor for Mini Melts*** (novelty ice cream product)
  - Current points-of-sale over 145, currently focus on Southern California & Las Vegas markets
- ***Digital Advertising Solutions Provider***
  - Wireless Samsung digital software partnership in place 2015
  - Placing wireless digital at all points-of-sale provides additional ad revenue



## The Team



# David Graber

*Chief Executive Officer*

- Currently CEO of U-Vend, Inc. and Managing Principal of Cobrador Capital Advisors, an investment firm focused on consumer sector.
- Previously was Managing Director, Investment Banking at New Century Partners and National Securities Corporation.
- Acted as CEO of OKC Corporation, a manufacturer and retailer in home improvement industry, oversaw national rollout with Home Depot, created strategic partnerships with major U.S. homebuilders.
- Was Sr. VP and Director with Donaldson, Lufkin & Jenrette, as well as Credit Suisse First Boston.
- Holds dual MBA's from Columbia University (NYC) and London Business School (UK). Obtained BA at Tulane University (1994)

# Mark Chapman

*President, U-Vend America, Inc.*

- Began career in Marketing and Sales with General Foods Corporation.
- Director of Marketing for Dr. Pepper
- VP of The Mauna Loa Macadamia Nut Company, took revenue from \$4.5mm to \$41mm in 2.5 years.
- From 1983-1985, oversaw revenue growth from \$28mm to \$87mm as Director of Sales and Marketing at Malt-O-Meal.
- Zone Director in the Specialty Foods Division of Ralston Purina in St Louis, MO.
- Founder and CEO of United Sales Inc., of which he grew over 10 years and sold to Fleming, Inc.
- C-Level Executive positions in the Consumer Products industry as a business owner and consultant.
- BA in Marketing and Psychology, Masters in Psychology from Richmond University in London, UK.



# Michael Crone

*Executive Vice President of Sales*

- Veteran sales executive of the ice cream industry with over 40 years of consumer sales and strategic planning with numerous multi-billion consumer products companies.
- As Senior Vice President of Sales at Wells Dairy for over 10 years, increased sales over 53% to \$1.2 Billion.
- In his 5 years at Nestle Ice Cream Company, increased return on distribution sales 250% through acquisitions, new businesses, and re-engineering of operations.
- Spent over 8 years at Häagen-Dazs Ice Cream where he increased sales from \$325 Million to over \$700 Million.
- Holds a degree in Business Management from Stephen F. Austin University.



# U-Vend Advisory Board

**GREG HOGARTH** - Greg is currently the owner and operator of the Ontario, Canada-based QSR Group Inc. Mr. Hogarth has grown the QSR Group from one single Tim Horton's store in 1986 to 26 Tim Horton's and Wendy's restaurants today with combined sales in excess of \$50 million and over 1,400 full and part-time employees.

**MARCEL DIONNE** - Marcel is a naturally gifted goal scorer and playmaker, center Marcel Dionne was one of the most productive offensive performers in National Hockey League history. Marcel played 18 seasons in the NHL for the Detroit Red Wings, Los Angeles Kings and New York Rangers and was inducted into the Hockey Hall of Fame in 1992. Marcel retired with 731 goals and 1,771 points.

**JAMES BUTTS** - James is the Founder and Director of Operation of GPS Distribution Inc., a privately held firm with revenues in excess of \$10 million that specializes in distribution of newspapers to retail outlets, home delivery and also includes in excess of 250 vending machine locations within the Southern Ontario, Canada marketplace. Mr. Butts has over 30 years' experience and possesses a strong knowledge of logistics, operations, finance, and cost-savings strategies.

**RANDY J. GILLEN** - Randy was a partner in the St. Catharines, Ontario law firm Chown, Cairns from 1980 until he retired from the practice of law in 1993. His expertise was concentrated in business and commercial matters, in particular, the negotiation and preparation of licensing and distribution agreements. Randy developed a licensing program that included arrangements with The Walt Disney Company, Coca-Cola Ltd., Hasbro Inc., Cunard, The Random House Group and other well-known entities.



## Our Business

Walmart 



# Mini Melts



- Southern California and Las Vegas expansion underway
- 145 vending units in place, over 125 locations
- \$1,089,865 gross revenue nine-month period ended September 30, 2016
- Opportunity to expand new US markets
- Differentiated product
- High gross margin
- Only available at retail
- Destination purchase/traffic driver

U-Vend offers a broad range of products and services, spanning multiple market segments



## Novelty Ice Cream

Our ice cream products serve as a delivery system for all of the other U-Vend Products



## Automated Retail

Available in many locations; C-Stores, Wal-Mart, Grocery Stores, etc.



## Digital Marketing

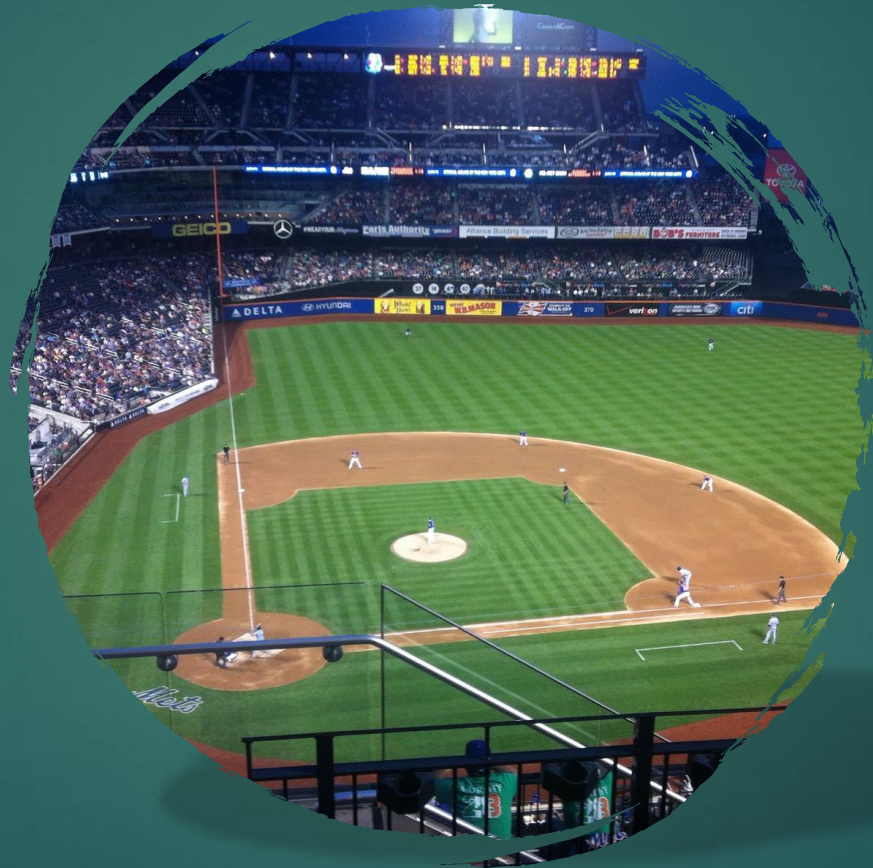
Available through the latest in touchscreen technology, as well as through more traditional outlets; cellphones, tablets, computers.

U-Vend offers a broad range of products and services, spanning multiple market segments



## Fantasy Sports

As of 2015, nearly 60 MILLION  
people in the US and Canada play  
fantasy sports



## Sports Collectibles

Our novelty ice cream come with  
collectibles that are then used to  
participate with our fantasy  
marketplace



# Our Opportunities

Across ALL Categories

1. Novelty Ice Cream
2. Automated Retail
3. Digital Advertising
4. Fantasy Sports
5. Sports Collectibles

## Novelty Ice Cream

- Ice cream and non-dairy frozen desserts were worth \$25.1 billion globally in 2013
- Market continues to fragment
- 1.53 Billion gallons of ice cream were produced in the US in 2013
- Americans consume almost 22 pounds of ice cream per year
- U-Vend is now the official ice cream of Major League Baseball





## Automated Retail

- US spending through automated retail/vending tops \$7 billion annually
- There are approximately 18 million machines globally
- There are as many vending machines in Japan as there are in the U.S.
- Automated retail is replacing personnel cost
- Used more in areas with higher real estate cost, globally
- Wide range of products available from food to electronics, to cosmetics and caviar

## Fantasy Sports

Fantasy sports players are younger, better educated, possess higher household incomes and more likely to have fulltime employment:

- 66% Male / 34% Female
- Average Age: 38.6
- College Degree or more: 66%
- Household income of \$75,000+: 51%
- Have fulltime employment: 67%
- Average Annual Spending Per Fantasy Player (age 18+): \$556.00
- Fantasy Sports Players that pay League Fee: 70%

## Sport Collectibles

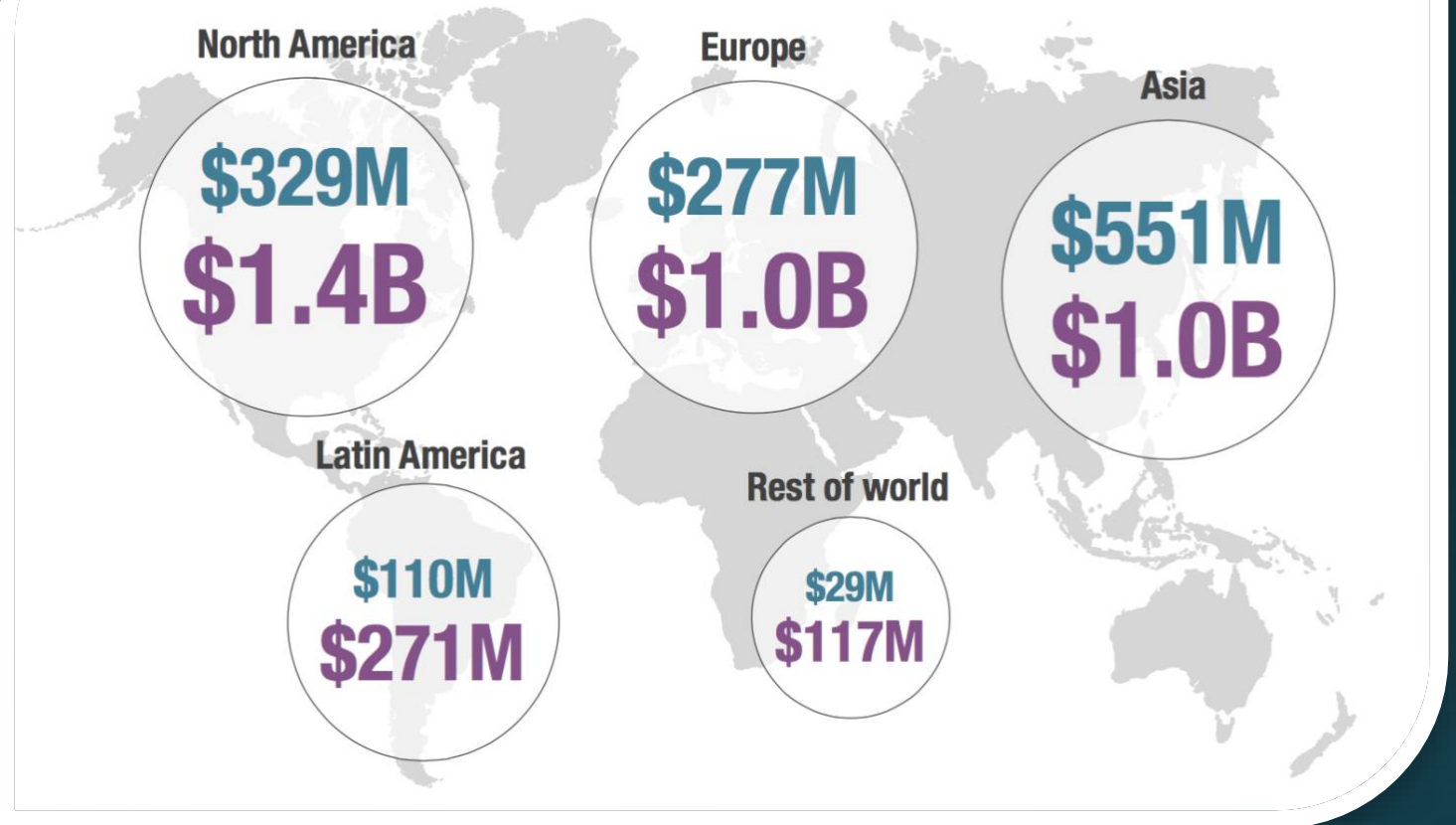
- The market for licensed, unsigned sports merchandise is \$12 Billion
- Market is moving to the digital space
- Digital card games were estimated to be \$1.3 Billion in 2013

### Topps Company

- 2012 – launched Topps Bunt, an app designed to create a digital card marketplace
- 2015 – began experimenting in Europe

### Worldwide collectible card games market, 2015E

Digital vs. Physical revenue





## Digital Advertising

- Digital advertising in the US is a \$43 Billion market, predominantly through Facebook and Google
- Desktop revenue in 2013 was \$33 Billion
- Mobile doubled from \$4.4 Billion in 2012 to \$9.6 Billion in 2013
- Intelligent vending machines are expected to grow at a 49% CAGR from 2010 to 2016
- Mobile phones are driving market opportunity and innovation through:
  - Ability to make payments
  - Interaction through device and automated retail POS

# Digital Advertising



## Vending Kiosk

- digital touch screen
- touch screen program
- 55" wireless digital touch screen
- cloud-based
- wirelessly managed

u.vend



## Merchant POS

- digital screen
- digital merchandiser program
- 22" wireless digital screen
- cloud-based
- wirelessly managed



# Growth Strategies

## U-Vend's Expansion Process

- Identification of Initial Region and Markets
- Identification of Sports, Consumer Attractions and Local Interests
- R&D for Products and Services
- Operational Analysis by Market
- Implementation and Execution

# North America

## *Sports, Consumer Attractions and Local Interests*

### ■ Top 10 Sports in the US

- Football
- Baseball
- Basketball
- Ice Hockey
- Soccer
- Golf
- Tennis
- Pro Wrestling
- Motor Sports
- Martial Arts

### ■ Top 10 Sports in Canada

- Ice Hockey
- Basketball
- Soccer
- Football
- Lacrosse
- Baseball
- Cricket
- Curling
- Tennis
- Golf



### ■ Ice Cream Stats

- US Market considered mature
- Take home is 75% of market
- 62% of children 6-12 years old consume ice cream
- 58% of adults over 75 are regular consumers
- Average ice cream consumer eats 1.6 times per week
- Vending machines that sell ice cream contribute \$886 Million to the industry
- The United States exports 60,000 metric tons of ice cream every year to Canada, Mexico, and the Caribbean.
- 79.3% of ice cream consumers cited premium ice cream as their most favorite product.
- Only 16% of the ice cream that is sold in the United States is marketed nationally.

# From Store, and Stadium, to Fantasy and Social Media

U-Vend is in part a multi-media company built upon consumer products, through distribution, automated retail and novelty ice cream consumables.



# Sales Cycle



## Purchase

Customer buys through vending, C-Store, Stadium sale, etc.



## Collectible

Collect the bat for your favorite team



## Register

Sign in to the U-vend App or website and register your sports collectible



## Share

Share on Social Media, or share Collectibles with others



## Repeat

Year round sales cycle, enormous opportunity for repeat sales

# Benefits to Interactive Product

The Premium Ice Cream Product is a delivery system that leads to multiple additional sales opportunities

## Marketing Data

3<sup>rd</sup> party marketing firms regularly purchase consumer data from consumer product companies

## Demographics

App and website participation provides U-vend with detailed customer info

## Psychographics

Deeper information than demographics, tells us about client interests, values, opinions, lifestyles, etc.

## Customer "Stickiness"

Competition creation will lead to increased potential of repeat sales.

## R&D

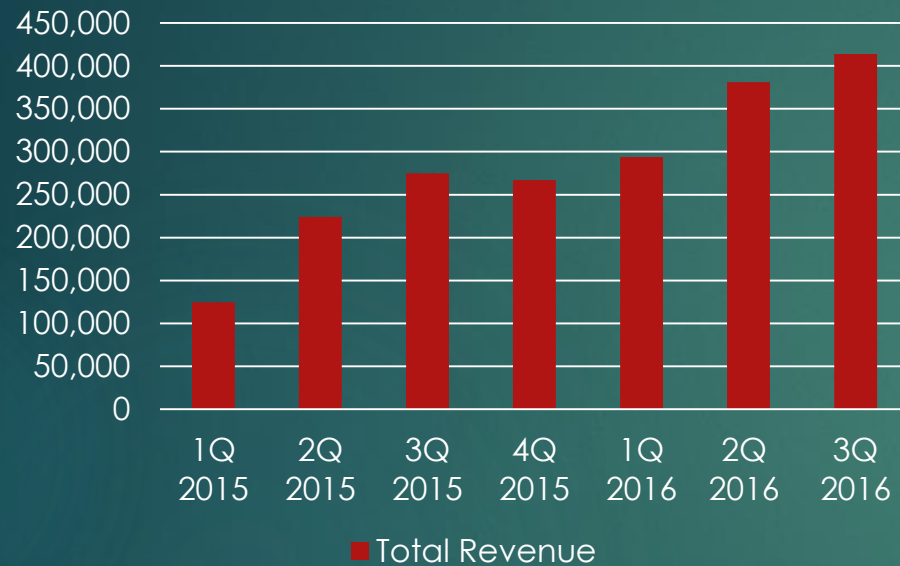
Increased consumer engagement will reduce uncertainty as U-Vend looks to expand and built upon product/service offerings



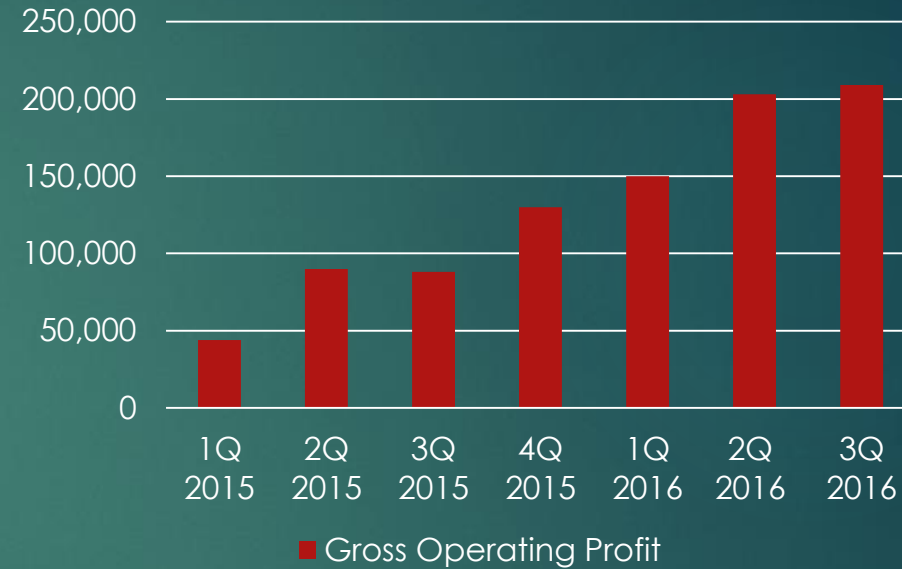
# Financial Summary

As of November 2016

## Total Revenue



## Gross Operating Profit



- 2016 Nine-Month Period End September 30, 2016 Gross Revenue increased 74.5% & Gross Profit increased 239% as compared to Nine-Month Period Ended September 30, 2015.
- Increased points of sale to 145 throughout Chicago, Southern California & Las Vegas

**THANK YOU!**



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