

## INVESTOR PRESENTATION

SEPTEMBER 2022

Approved for release by the CFO

[www.shekelbrainweigh.com](http://www.shekelbrainweigh.com)

ASX: SBW

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# **A GLOBAL MARKET LEADER IN ADVANCED WEIGHING TECHNOLOGIES**

We aim to improve everyday life,  
by providing smart weighing-based systems,  
shifting data to valuable information  
to support customers' needs

## SHEKEL SCALES

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### CORE BUSINESS OPERATING 50+ YEARS



**HEALTHCARE**

Leading supplier of weighing technologies to global retail, healthcare and industrial/OEM sectors

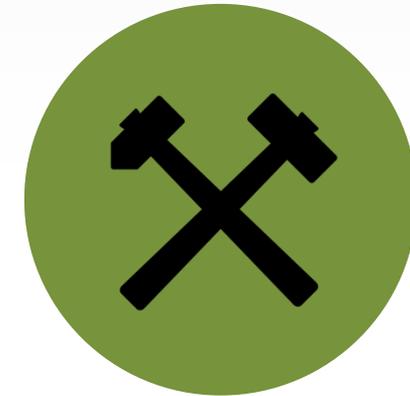
Supplying blue chip customers and enabling Retail's digital transformation with ongoing R&D



**RETAIL**

Achieved record revenue of US\$13.1M in 1H2022, 23% growth on pcp

Profitable globally



**INDUSTRIAL**

# HEALTHCARE SOLUTIONS



## HEALTHCARE

**1H22 Sales: US\$5.18M**

**1H22 Growth: 26% on pcp,  
up US\$1.34M**

**Market opportunity:  
Healthcare budgets returning  
to elective care following  
COVID pandemic**

### Healthcare OEM

As a leading OEM provider, our precision weighing systems are integrated into incubators and warmers for premature babies



GE Healthcare

### Healthweigh®

Healthcare and fitness scales under our Healthweigh® brand:

- Healthweigh® Physician Scales
- Healthweigh® Special Needs
- Healthweigh® Baby and Neonatal Scales
- Healthweigh® Portable Scales



**ATOM MEDICAL**

# OUR SELF CHECKOUT SOLUTION – IN THE MARKET SINCE 2010



## RETAIL

1H2022 Sales: US\$5.1M

1H22 Growth: 34% on pcp,  
up US\$1.73M

Market opportunity:  
Continued growth of Self Checkout  
and POS, estimated at 12% CAGR\*

We provide precision checkout electronic scale and weighing solutions:

- Self Checkout Systems
- Scanner Scales
- Product Aware shelving and units
- Smart Cart application – preventing fraud and providing data



### CUSTOMERS INCLUDING:



### SUPPLYING THE WORLD'S LARGEST RETAILERS



\* <https://finance.yahoo.com/news/retail-self-checkout-terminals-market-123000753.html>

# INDUSTRIAL & AGRICULTURAL SOLUTIONS - ISRAEL



## INDUSTRIAL PROJECTS + CUSTOMER SERVICES

**1H22 Sales: US\$2.7M**

**1H22 Growth: 3% on pcp,  
up US\$0.7M**

**Local market leader in Israel**

Shekel provides force measurement weighing and scale solutions for industrial needs:

- Agricultural – silos, livestock, dairy applications
- Manufacturing
- Military
- Airport baggage scales



# OUR NEW PRODUCT APPLICATIONS – TRIALS UNDERWAY; FIRST ORDERS RECEIVED

## Smart Cart

- Shekel weighing application for smart cart shopping experience
- Self-checkout embedded in cart
- Big Data capabilities help prevent fraud and automatically issue re-stocking alerts
- Received first order for Smart Cart application weighing units
- We continue to develop an all-in-one Smart Cart device with “legal for trade” and security weighing ability



## Fast Track

- Visual fruit and vegetable recognition, provides frictionless, computer vision-based, self checkout
- Scalable to meet any size chain store; automatically updated across network
- Minimum Viable Product phase testing complete; pilot rollout in Q3 FY22



# OUR NEW PRODUCT APPLICATIONS – ACHIEVED US\$1 MILLION 1H2022 REVENUE

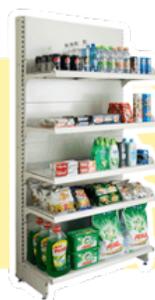
## PRODUCT AWARE TECHNOLOGY DEVELOPMENT TO ENABLE RETAIL AUTOMATION THROUGH ADVANCED SOLUTIONS

- 1H2022 revenue of US\$1.01 million – represents 165% growth on pcp (US\$385k)
- Commercializing Smart Fridges and Autonomous Stores in US, Europe and Israel

**PAS – PRODUCT AWARE SHELF**



**PAB – PRODUCT AWARE BAY**



**INNOVENDI & HUBZ – SMART VENDING**



**AUTONOMOUS MICRO MARKET SOLUTIONS**



# PRODUCT AWARE TECHNOLOGY—COMPETITIVE TECHNOLOGY ADVANTAGE

ONE weighing platform with **MULTIPLE** products recognition

## ACCURACY

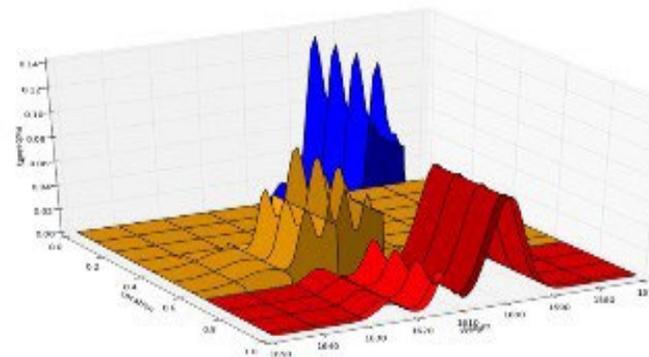
- More than 99.8% accuracy reported
- Huge database of grocery weights
- Differentiating between similar products

## FLEXIBILITY

- 10 SKUs per shelf
- Remote planogram control

## AFFORDABILITY

- More cost effective than Computer Vision or RFID systems



Awarded “Gold Partner” status by Intel for Capsule, Innovendi, Hubz and as an OEM Supplier\*

\*<https://www.intel.com/content/www/us/en/search.html?ws=text#q=shekel%20brainweigh&t=All>

# INNOVENDI & HUBZ SMART COOLERS

## The Product:

- Innovendi (1<sup>st</sup> generation) Hubz (2<sup>nd</sup> generation) Micro Market Smart Fridges
- New Variety of Products
- Higher revenue per machine

## The Market:

- High-end Smart Fridges
- Smart Fridge market currently at 15,000
- Targeting USA / Europe
- Hubz is a collaboration with Imbera Cooling and Parlevel Systems

## Business Model:

- One time payment for hardware and equipment
- Monthly SAAS revenue for data collection

## Commercialization:

- Innovendi launched in 2020
- Installed ~130 units, primarily in Israel with Tnuva Dairy Company
- Hubz launched in 2021
- ~100 units installed with 67 purchased by Colruyt Belgium
- Other units installed in USA



Innovendi achieved Market Ready IoT Solutions certification by Intel®



# AUTONOMOUS STORES

## The Product:

- Equipment for fully autonomous retail stores
- Single shopper, multiple shoppers and “store within a store” configurations
- Frictionless 24/7 shopping experience

## The Market:

- New concept in early days of adoption by retailers, esp. micro market operators
- Expected hundreds of store solutions

## Business Model:

- One time payment for hardware and equipment
- Monthly SAAS revenue for data collection

## Commercialization:

- First store opened in 2020
- Stores by Casino Paris, N+B USA in Atlanta, Israel, GK Germany



# THE OPPORTUNITY TO UNLOCK FRICTIONLESS RETAIL

## \$23 BILLION\*

Estimated investments by retailers in AI by 2025, up from just over \$5B in 2020.



**Smart vending machines  
Potential for growth (US\$B)**



**Unmanned convenience stores  
Potential for growth (US\$M)**



MARKET  
SIZE 2027

**SMART VENDING  
MACHINES**

**\$3.0B\*\***

360 Market Updates 2019

**UNMANNED  
CONVENIENCE  
STORES**

**\$1.64B\*\*\***

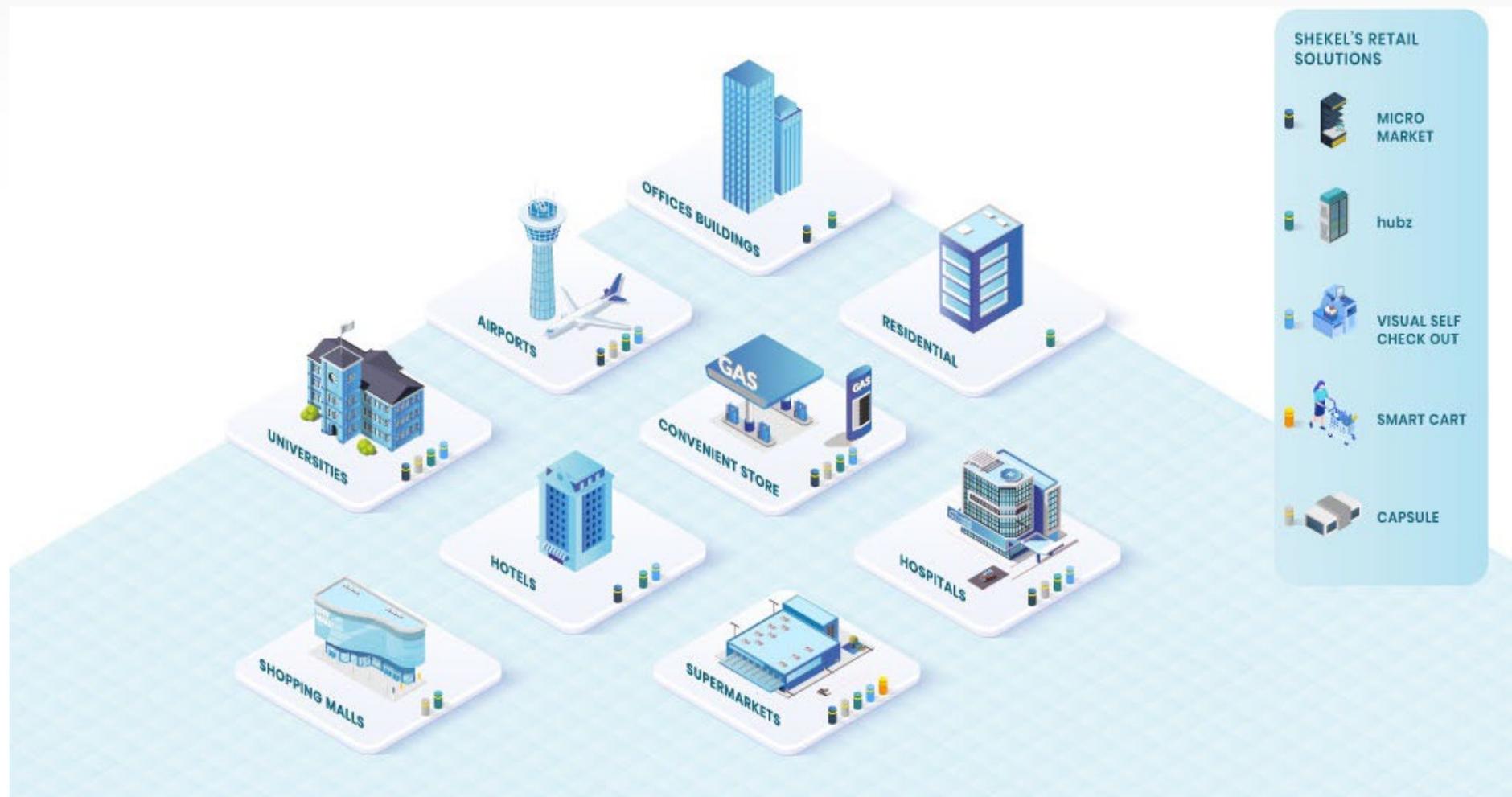
Research and Markets 2020

\* Juniper Research, [https://www.juniperresearch.com/press/smart-checkout-technologies-to-process-\\$387-bn](https://www.juniperresearch.com/press/smart-checkout-technologies-to-process-$387-bn)

\*\* <https://www.360marketupdates.com/global-smart-vending-machines-market-13823930>

\*\*\* <https://www.researchandmarkets.com/reports/5023743/unmanned-convenience-store-market-forecast-to>

# RETAIL MARKET – THE WHOLISTIC SOLUTION BY SHEKEL



# DATA IS THE NEW OIL

**\$198.08 bn<sup>1</sup>**

Global big data and business analytics market in 2020

**\$684.12 bn**

Expected to generate by 2030

**13.5%**

CAGR from 2021 to 2030

## We can leverage our powerful footprint in retail

**OWN**



Legally and technically

**AGGREGATE**



Big data infrastructure

**SHARE**



Cross-platform learning

**MONETIZE**



Offer SaaS modules

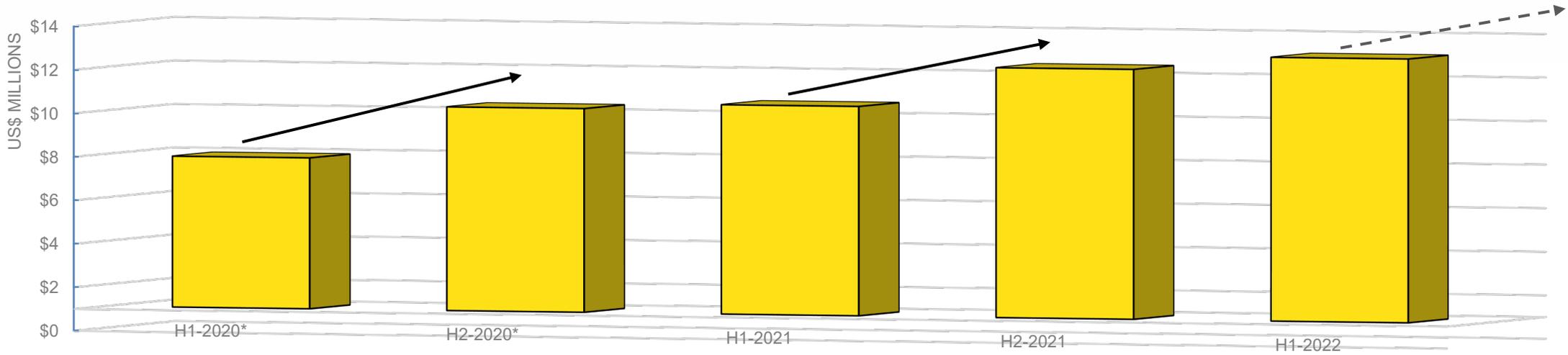
<sup>1</sup> Allied Market Research, <https://www.alliedmarketresearch.com/big-data-and-business-analytics-market>

## STRONG START TO FY2022 – US\$13.1M 1H2022 REVENUE

- SBW 1H2022 revenue of **US\$13.1M**, up **23%** on 1H2021 (US\$10.5M)
- 1H2022 Gross profit of **US\$4.7M**, up **17%** on 1H2021 (US\$3.9M)
- Healthcare revenue up **26%** on pcp to **US\$5.18M**
- Retail revenue up **34%** on pcp to **US\$5.17M**
- **Cash burn reduced** to US\$1.7M, equating to US\$283,000 per month, compared to US\$403,000 per month in 1H2021

# UPWARD TREND IN REVENUE – HISTORY OF STRONG 2H GROWTH

2020 - 2022



\* Covid affected operations

# CASH BURN REDUCING – MOVING CLOSER TO CASHFLOW BREAK EVEN



# CORPORATE OVERVIEW

## SHEKEL BRAINWEIGH (ASX: SBW)

Global Industry Classification Standard	Information Technology sector, Software & Services industry group
Market cap <sup>1</sup>	A\$22 million <sup>1</sup>
Employees	150
Markets	Europe, UK, USA, Australia, Japan, China, Israel
Shares issued	~ 192 million
Share price	\$0.11.5 (12 September 2022)
Shareholders	<ul style="list-style-type: none"> <li>• Axcel Partners – 27%</li> <li>• Concepta – 18.5%</li> <li>• Beit-Keshet – 12%</li> <li>• Sophisticated Investors – 17%</li> <li>• Others – 25.5%</li> </ul>

<sup>1</sup> Based on share price at 12 September 2022

## FINANCIAL OVERVIEW

Shekel Brainweigh Group 1H 2022 revenue	US\$13.1 million
Shekel Brainweigh Group FY2021 revenue	US\$23.1 million (~A\$31.6M)

**Achieving one-off and recurring revenue**

**\$2.47 million capital raised in Dec 21/Jan 22**

12-month share price performance



## SENIOR MANAGEMENT TEAM



**Arik Schor**

### CHAIRMAN AND CEO

- Independent Director at Paz Oil Company Ltd
- Chairman of Tadbik, a global leader in packaging solutions.
- Director at Afimilk, a global leader in computerized systems for the dairy industry
- Former CEO of Tnuva Group (2009 to 2016), Israel's largest food conglomerate
- Former CEO of Holga Kimberly (a subsidiary of Kimberly Clarke)



**Nir Leshem**

### GENERAL MANAGER

- Former Managing Director for 3M Israel, global business director for 3M Public Security and US business director for Traffic Safety division.
- Extensive experience in leading global sales and marketing initiatives across multiple regions and countries.
- Expertise in managing C-level relationships, developing business strategies, portfolio roadmaps, system service models for customers, and generating new business.
- Holds MBA focused on Marketing from Ono Academic College in Israel



**Barak Nir**

### CHIEF FINANCIAL OFFICER

- More than 25 years' experience as Chairman, CEO and CFO for several organizations, including international public companies, Israeli private companies and Israeli Kibbutzim.
- Experienced in various fields of business activity's including: hotels, traditional industry, high-tech industry, capital markets, agriculture and real estate.

# WHY INVEST IN SBW

## POTENTIAL TO REVOLUTIONISE RETAIL USING DATA

**1**

**'BEST IN CLASS' TECHNOLOGY, UNIQUE INTELLECTUAL PROPERTY**

- SBW competitive edge: 'best in class' technology – highest accuracy
- IP engineered by 'genius-lab'
- Forefront application of AI-enabled technology and leveraging IoT
- Validated by global technology leader Intel

**2**

**VISIONARY LEADERSHIP WITH A TRACK RECORD OF INNOVATION & COMMERCIALISATION**

- Highly experienced management team with a vision for the future
- Strong culture delivering R&D excellence
- Successful track record of commercialisation in an extremely high barrier market

**3**

**SENSOR TECHNOLOGY TO ENABLE RETAIL AI-BASED APPLICATIONS AND DATA COLLECTION**

- Significant income
- Established supply chain: global blue-chip customers with long-standing and long-term contracts
- Effective and active cost management

### THE FUTURE

### BUILDING BIG DATA ASSETS PLATFORM FOR GROWTH

- Strong growth opportunities in the autonomous retail space.
- New products and services focussed recurring fees sales model.
- Monetize big data assets and 4.0 shopping revolution



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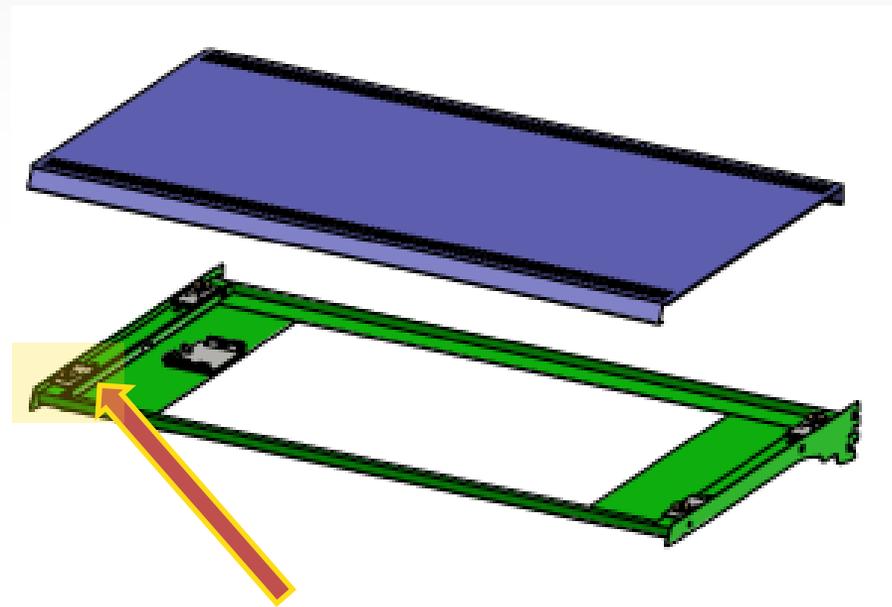
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[barak@shekelbrainweigh.com](mailto:barak@shekelbrainweigh.com)

## APPENDICES

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1. Shekel Advanced Technology
2. Shekel Board of Directors
3. Retail Innovation - Detailed Business Model
4. Shekel's Healthcare business
5. Shekel's industrial projects and service providing in Israel

# 4 IOT LOAD SENSORS UNDER EACH SHELF'S TOP-PLATE



Ultra Thin Sensors - Covered

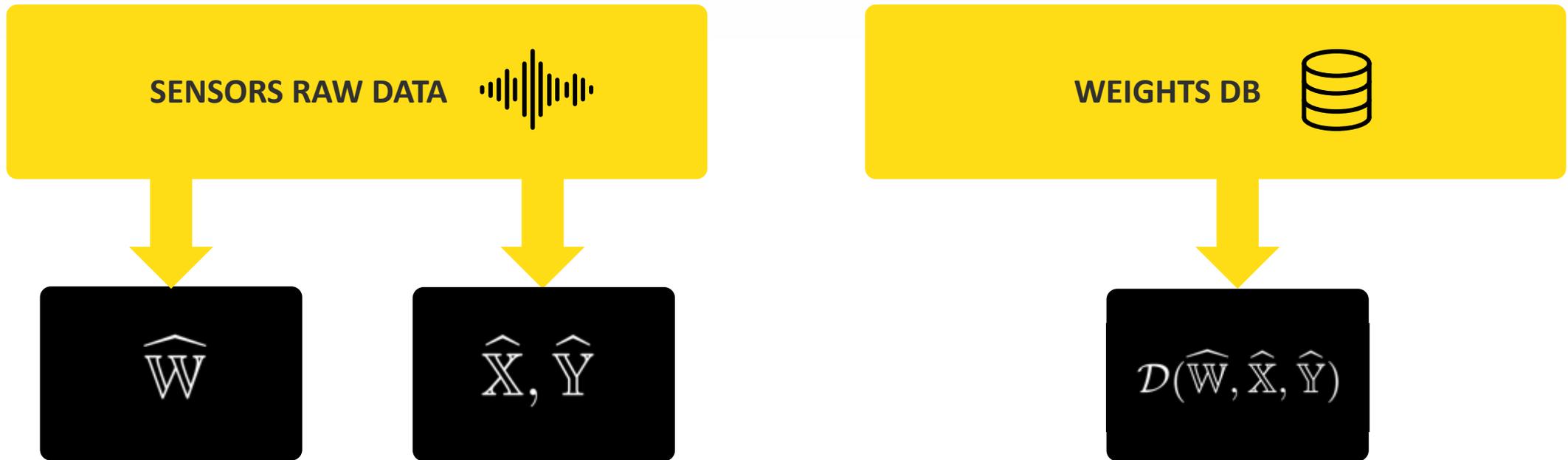


Ultra Thin Sensors - Uncovered

# SHEKEL'S PRODUCT AWARE TECHNOLOGY

## 4D RECOGNITION

ONE weighing platform. MULTIPLE products recognition.

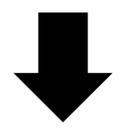


# HD WEIGHT ACCURACY



**3000** Divisions

**700** ms



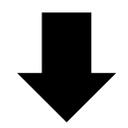
$$e = \frac{3000 \text{ gr}}{3,000} \approx 1 \text{ gr}$$



HW

**10,000** Divisions

**200** ms

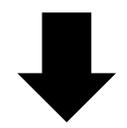


$$e = \frac{3000 \text{ gr}}{10,000} \approx 0.3 \text{ gr}$$

IoT Load Sensors

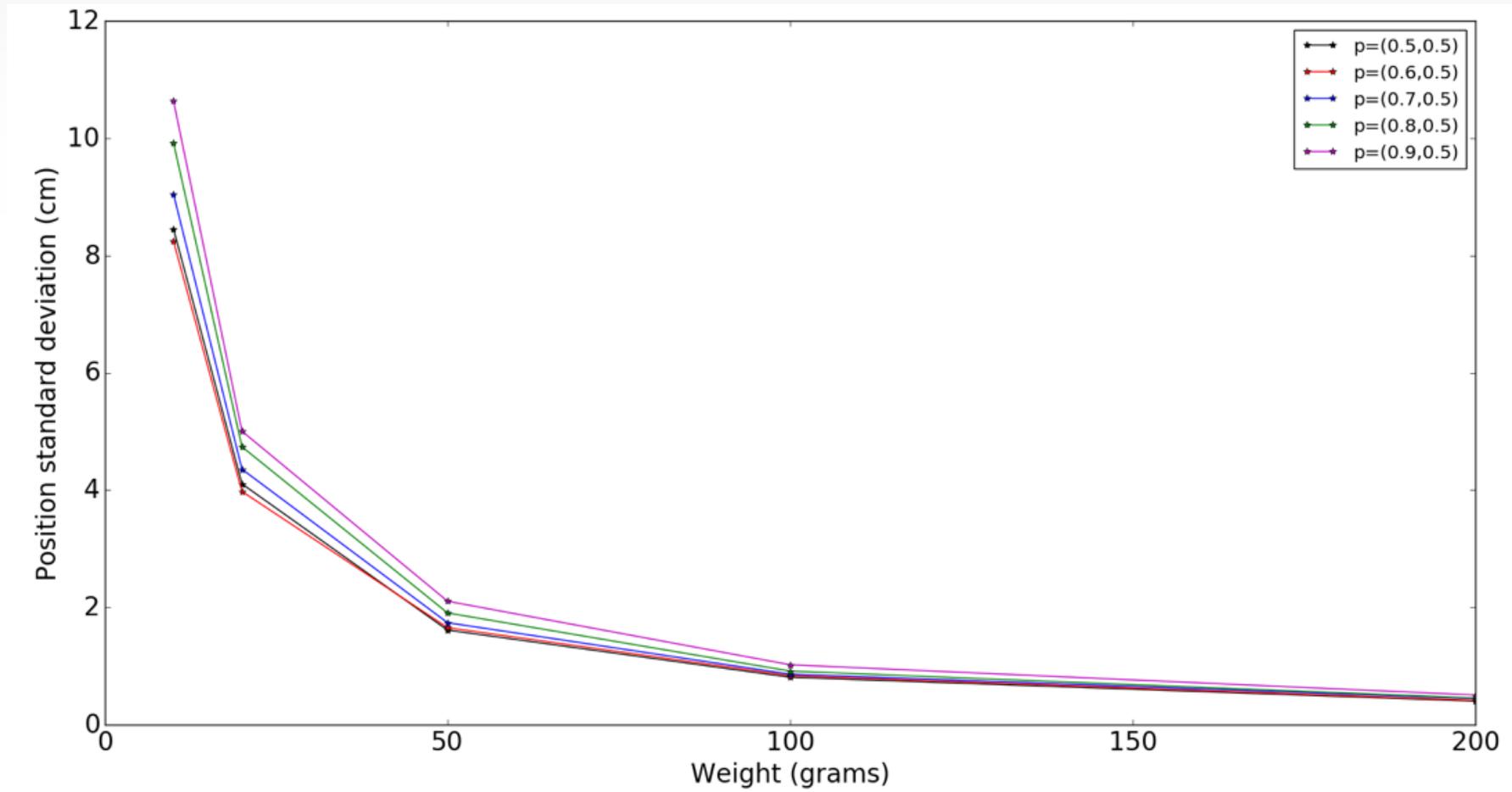
**500,000** Divisions

**200** ms

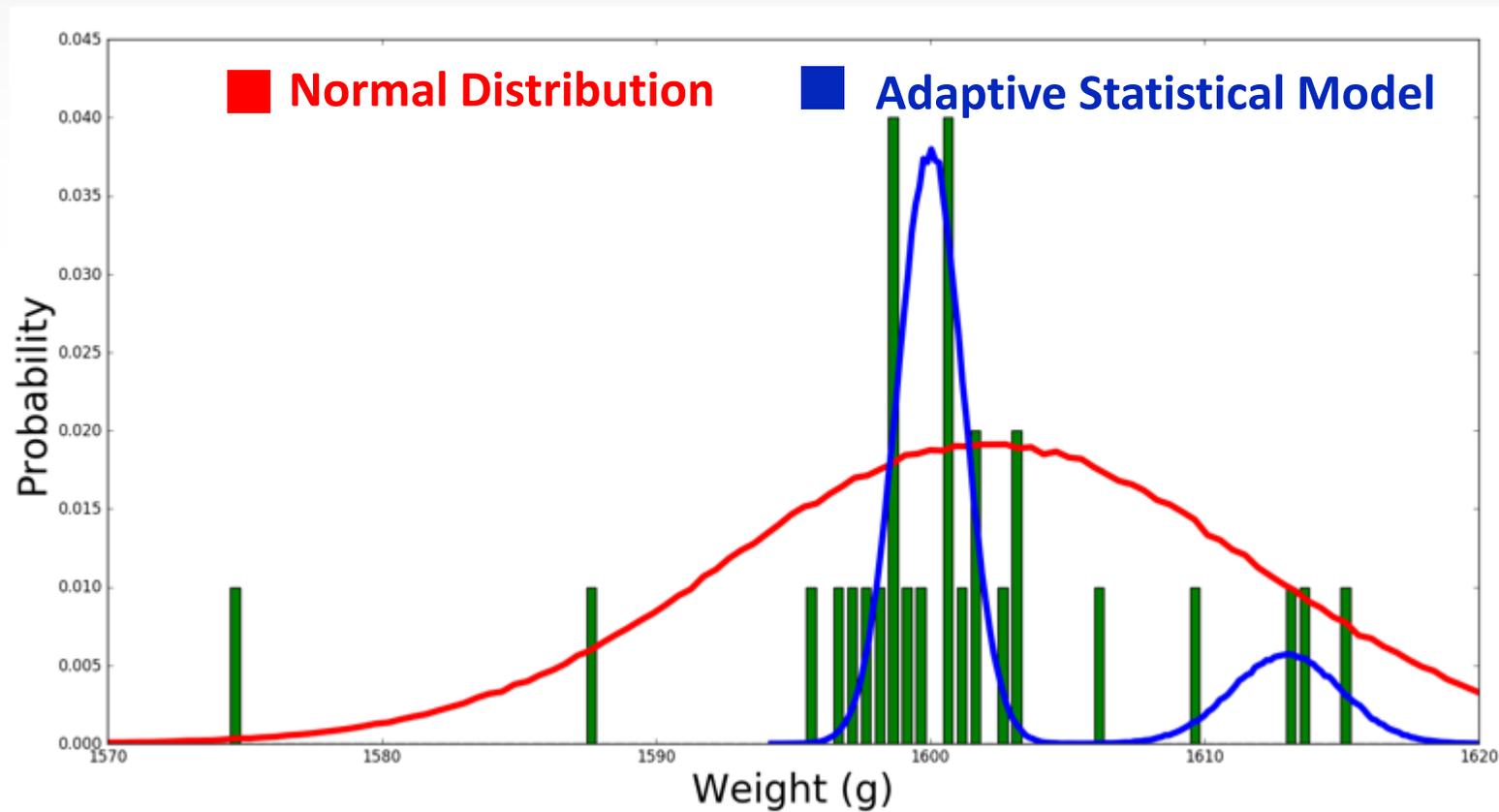


$$e = \frac{3000 \text{ gr}}{500,000} \approx 0.006 \text{ gr}$$

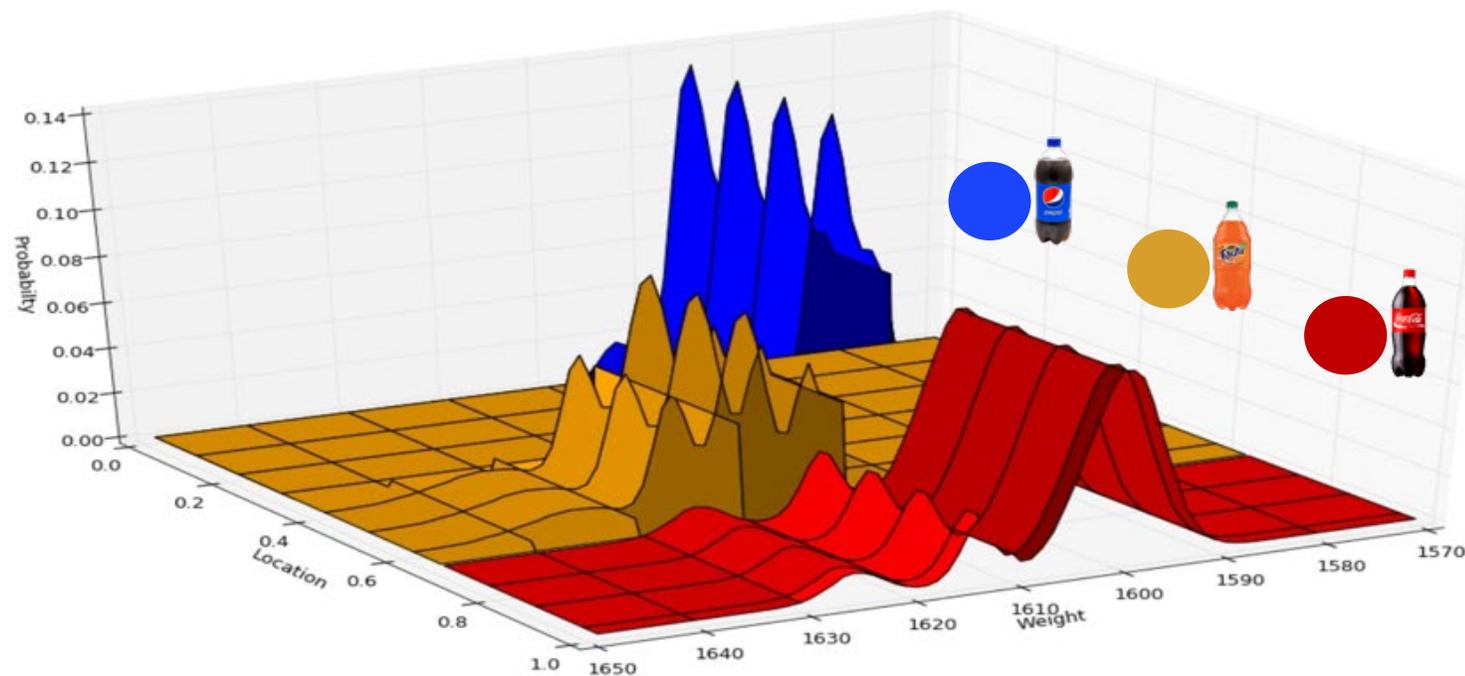
# LOCATION DETECTION ACCURACY



# PRODUCTION

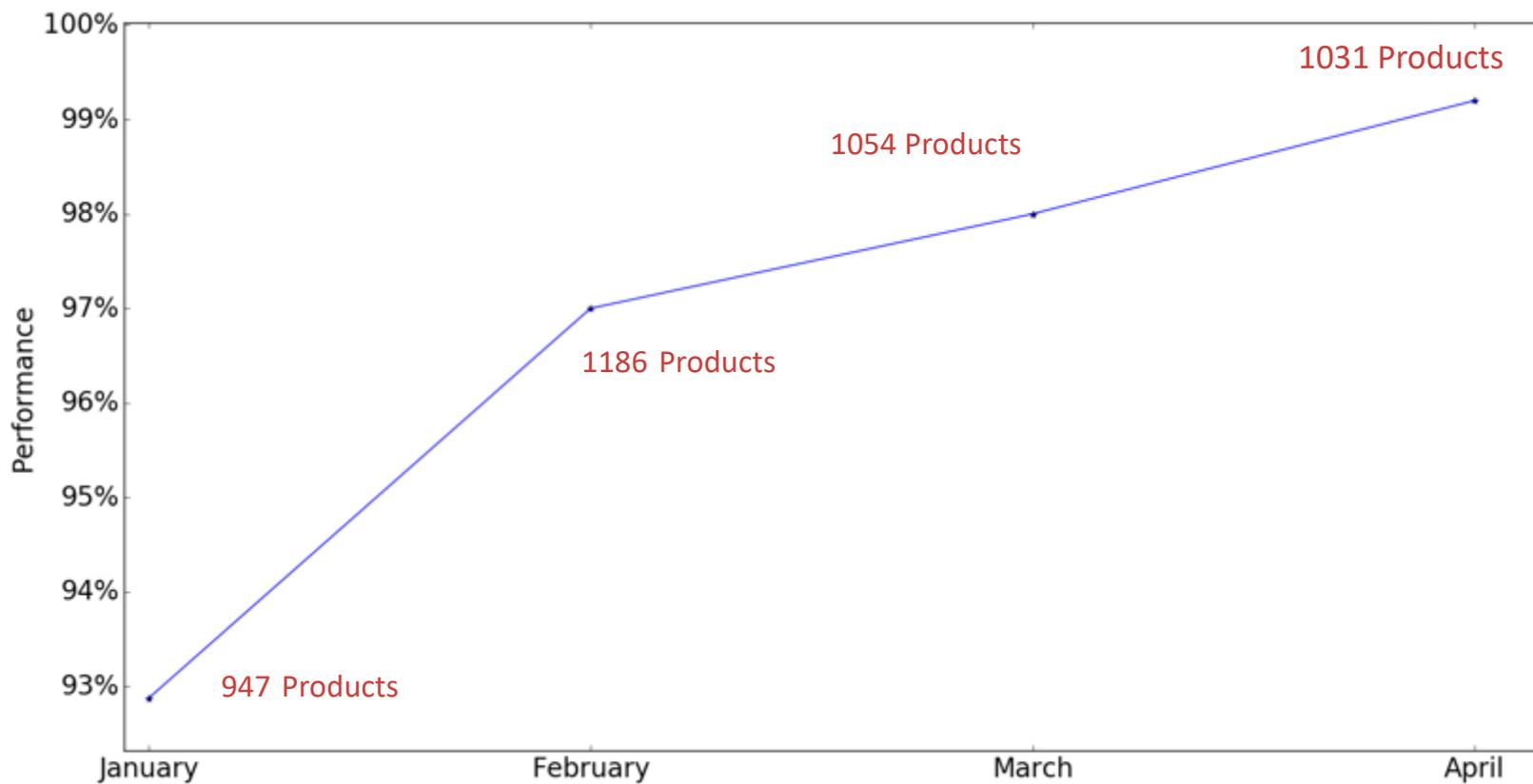


# PRODUCT AWARE TECHNOLOGY - EXAMPLE

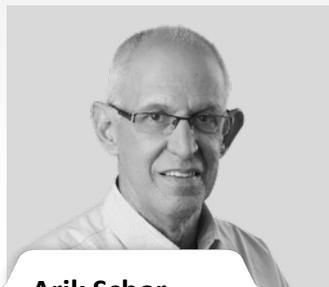


# TOTAL PERFORMANCE ACCURACY

## REAL LIFE PERFORMANCE RESULTS



# AN EXPERIENCED BOARD



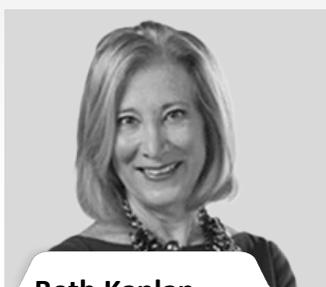
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- Former CEO of Tnuva Group (2009 to 2016), Israel's largest food conglomerate
- Former CEO of Holga Kimberly (a subsidiary of Kimberly Clarke).



**Gilead Sher**  
**NON-EXECUTIVE DIRECTOR**

- Founding senior partner in Gilead Sher & Co., Law Offices where he practices corporate law; project finance; administrative and constitutional law; and dispute resolution.
- Senior researcher and head of the Center for Applied Negotiations at the Tel Aviv Institute for National Security Studies (INSS).
- Former PM Chief of Staff and Policy Coordinator to former Prime Minister Ehud Barak.



**Beth Kaplan**  
**NON-EXECUTIVE DIRECTOR**

- Venture partner and managing member at Axcel Partners LLC for over 10 years
- Experienced director and manager of retail and tech companies
- Deep knowledge in marketing, logistics and optimising retail operations
- Director of Crocs (footwear), Howard Hughes Corporation (real estate), Rent The Runway (apparel), Brilliant Earth (luxury jewelry) and five private companies.



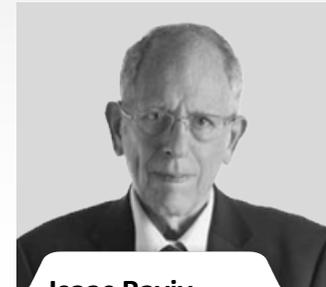
**Shlomo Anikser**  
**NON-EXECUTIVE DIRECTOR**

- 23 years of experience in leadership and executive roles across production, inventory, logistics and operation management.
- Held senior positions at Kvutzat Yavne Food Industry, GAASH Diamond Tools and Sales, Century Company and Haaretz Chicken businesses.
- Holds a unique set of skills, possessing a deep and trusted network, and depth of experience in production and inventory management.



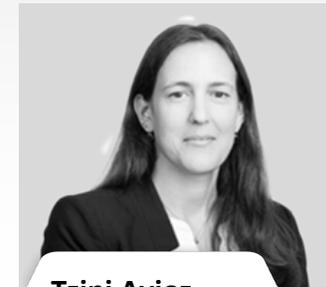
**Michael Hughes**  
**NON-EXECUTIVE DIRECTOR**

- More than 30 years experience across the finance sector including investment management, investor relations and commercial banking. Former commercial director of Sealink Travel Group, a leading transport and tourism company listed on the ASX.
- Chairman of Wiseway Group (ASX: WWG), a freight and logistics company.



**Isaac Raviv**  
**EXTERNAL DIRECTOR**

- More than 30 years' managerial experience across the technology sector for private and public Israeli and international companies.
- Has served as chairman and CEO of various companies
- Played an important role in mergers and acquisitions and fundraising initiatives, with a hi-tech focus.



**Tzipi Avioz**  
**EXTERNAL DIRECTOR**

- 25 years' experience in business consulting and technology, with a focus on data analytics and digital transformation.
- EVP customer success APAC and Americas for Mirakl.Inc
- Former IT customer solutions director for AMP
- 10 years at Woolworths leading digital commerce

# RECURRING REVENUE MODEL – RETAIL INNOVATION

SAAS, DAAS & ONE-OFF REVENUE

## HARDWARE

## DAAS

### PRODUCT RECOGNITION SOLUTION

### DATA ANALYTICS ENGINE

ONE TIME CHARGE

+

MONTHLY SAAS\*

MONTHLY DAAS\*

#### MACHINE (INCLUDING KIT)

- Five shelves hardware kit
- Software development kit/ interface
- Accessories
- Professional services

- Monitoring and alerting
- Cloud hosting
- Performance enhancement

OR KIT SOLD SEPARATELY

- Shelf insights
- Rev-share with retailer
- Targeting consumer packaged goods

\* SaaS (Software as a Service) DaaS (Data analytics as Service)

# OUR HEALTHCARE SOLUTIONS



## HEALTHCARE

**FY21 Sales: US\$9.87M**

**FY21 Growth: 25%, US\$1.95M**

**Market opportunity:  
Healthcare budgets returning  
to elective care following  
COVID pandemic**

### Healthcare OEM

As a leading OEM provider, our precision weighing systems are integrated into incubators and warmers for premature babies



GE Healthcare

### Healthweigh®

Healthcare and fitness scales under our Healthweigh® brand:

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**ATOM MEDICAL**

# OUR INDUSTRIAL & SERVICE SOLUTIONS - ISRAEL



## INDUSTRIAL PROJECTS + CUSTOMER SERVICES

**FY21 Sales: US\$5.1M**

**FY21 Growth: 20%, US\$0.84M**

**Local market leader in Israel**

Shekel provide force measurement weighing and scale solutions for industrial needs:

- Agricultural – silos, livestock, dairy applications
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