

FIRST COMMERCIAL ORDER RECEIVED FOR SHEKEL'S AUTONOMOUS VENDING MACHINE

Highlights:

- **First commercial order received for Shekel's fully autonomous vending machine - Innovendi**
- **An immediate order of 100 units will be delivered to a subsidiary of Tnuva, Israel's largest food manufacturer; for a total of 1,200 machines to be delivered over a period of 7 years**
- **As Tnuva is a subsidiary of Bright Food Group, a Chinese conglomerate, working with Tnuva provides potential opportunities to expand Innovendi sales into China**
- **Innovendi provides real-time data on inventory status, transactions and analysis of consumer behaviour**

Advanced weighing technology pioneer **Shekel Brainweigh Limited ("Shekel" or the "Company")** is pleased to announce it has received its first commercial order for its autonomous vending machine from Tnuva. Shekel's autonomous vending machine is sold under the product name "Innovendi".

Tnuva is the largest food manufacturer in Israel and is owned by Chinese conglomerate Bright Food Group, China's second largest food manufacturing company with revenues of approximately A\$16 billion. Under the conditions of the contract, 100 units will be delivered to a subsidiary of Tnuva immediately following a successful pilot trial. The total agreement is for the sale of a minimum of 1,200 machines over a period of 7 years and a minimum of 100 machines per year in these years.

Shekel will provide Tnuva with the relevant hardware and software, charging an upfront cost for the Innovendi hardware and an ongoing subscription fee for Shekel's software. The contract price is in-line with Shekel's pricing expectations and in-line with the Company's product pricing policy at this stage of market penetration. The amount is not material compared to Shekel's previous Full Year Revenue (FY17: US\$18.2 million), but it is an excellent validation of Shekel's technology and gives the Company great confidence that the product will receive market traction.

This is the first commercial order of Innovendi and the first operational use of Shekel's Product Aware Surface Technology. The initial units of Innovendi will be distributed across Israel. The Company anticipates that through Tnuva, as well as the Company's own sales force in China – Innovendi, and importantly Shekel's other products, can be introduced into China particularly by Tnuva's holding company, Bright Food Group.

Innovendi delivers clear benefits to Consumer Packaged Goods (CPG) vendors and vending machine operators. There is the marginal cost of deployment and maintenance as minimal human intervention is required. This results in higher gross margins and 24/7 availability of products. The technology also provides access to consumer market data and information on inventory levels and transactions communicated in real-time to the vendor, allowing for automated re-stocking plans to be put in place.



Commenting on the contract win, Shekel Brainweigh CEO, Yoram Ben Porat, said:

"The vending machine industry is growing rapidly, and Shekel's Innovendi is a standout product combining traditional vending machines with Shekel's Product Aware Surface Technology. Smarter and connected autonomous vending machines allow Tnuva and other CPG companies to sell products 24/7 without the need for human intervention and to maximise sales via automated re-stocking plans.

"This commercial order is a significant success for Shekel and is in line with our commercialisation strategy to penetrate the retail market with our software technology. Tnuva is a great start to our sales process, and we anticipate expanding sales of the product into China via Tnuva's parent company, Bright Food, as well as with our own sales force. We look forward to updating the market on future commercial orders of our technology."

Innovendi was developed and designed by Shekel to incorporate its Product Aware Surface Technology into a fully autonomous vending machine. Innovendi utilises Shekel's weighing technology to automate the entire vending machine process, from product selection to payment. The global market for 'smart vending' machines is predicted to grow by 15% per annum and exceed 15 billion USD by 2025¹. The Company is targeting an increase in sales to match the growth that is occurring globally in the vending machine market.

About Innovendi

Innovendi is an unattended automated vending machine. It is a fully autonomous solution allowing self-service of products with absolute accuracy and is based on Shekel's 4D weighing technology. Innovendi is easy to operate - present an id or credit card to unlock the door, open it and grab an item (even put it back), close the door, pay and go! Information about stock is communicated in real-time to the vendor.

Please find a link to the demo of the product: <https://shekelbrainweigh.com/products-solutions-retail/retail-innovations-retail#videos>

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¹ Persistence Market Research 'Intelligent Vending Machines Market: Global Industry Analysis 2012–2016 and Forecast 2017 2025'



About Shekel Brainweigh

Shekel Brainweigh has for over 40 years been a global leader in developing scale and weighing technology. The company provides weighing solutions to the highly regulated retail and healthcare markets via global giants such as Toshiba, Fujitsu, GE Healthcare, Diebold Nixdorf and others. Utilising its experience in weighing technology, Shekel Brainweigh is developing a suite of new products aimed at meeting the challenges that traditional retailers face today, such as store automation, operational efficiency including overstock and understock inventory issues and enhancing the consumer experience.

Shekel's patented combination of weighing technology with Artificial Intelligence (AI) and Internet of Things (IoT) technology has led to the development of their "Product Aware Surface Technology". Shekel Brainweigh is committed to continuing to innovate and expand into global markets.

To learn more about Shekel Brainweigh, visit <http://www.shekelbrainweigh.com/>