

3 August 2023

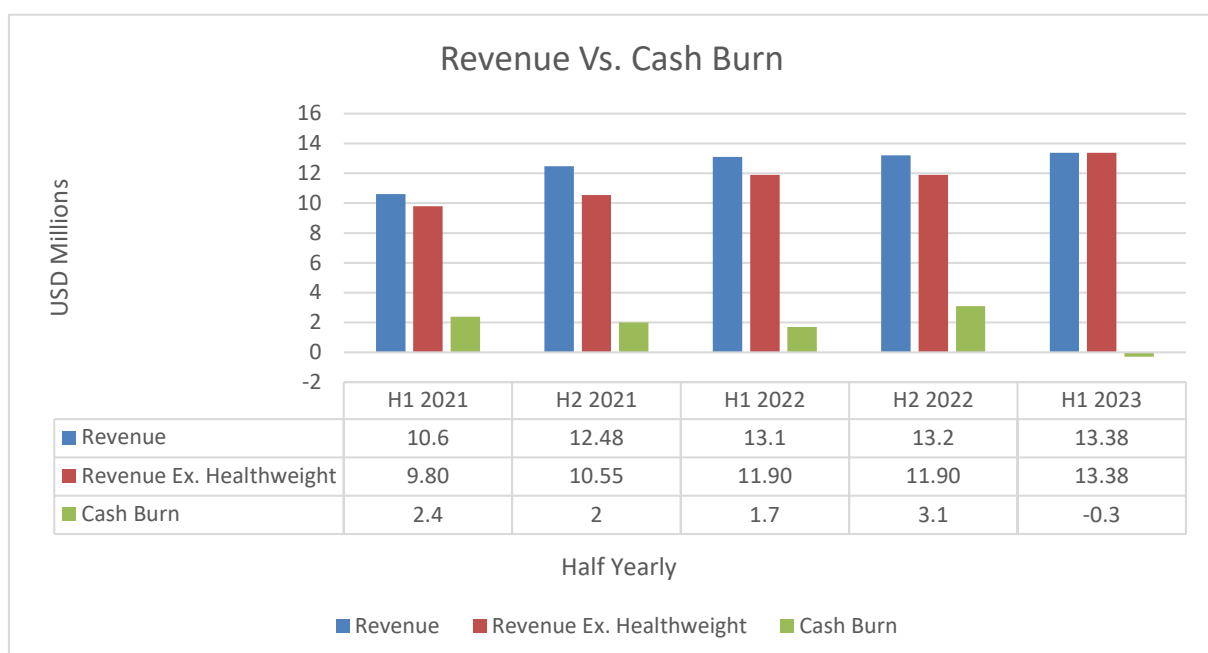
ASX Announcement

By electronic lodgement

Shekel Brainweigh (ASX:SBW “Shekel” or “Company”) achieves 12% revenue growth for H1 2023 (comparable unaudited), and significantly reduces cash burn to positive cashflow from operational activities

Highlights

- Revenue for H1 2023 grew to US\$13.4 million (unaudited) compared to US\$13.1 million in H1 2022. When excluding the revenue from the Healthweigh line which was sold in H2 2022, the adjusted revenue for H1 2022 is US\$11.9 million. Revenue growth on this comparable is ~12%. The above represents a continued growth of revenue for 5 consecutive Half Yearly periods.
- The Company continued the reduction of cash burn, which led to a positive cashflow from operational activities for the first time since 2019. The positive cashflow from operational activities was US\$0.3m in H1 2023 compared to a negative cashflow of US\$ 1.7 million in H1 2022. This is in line with the company's plan to achieve positive EBITA in Q4 2023.
- Retail revenue up 32% compared to the same period in H1 FY2022, to US\$6.83 million (unaudited).
- Healthcare revenue up 5% compared to the same period in H1 FY2022, to US\$4.23 million (unaudited)



Note: For comparison purposes, the revenue figures are total revenue (Blue Column), and revenue excluding the Healthweigh line which was sold in H2 2022 (Red Column).

Shekel Brainweigh (ASX:SBW), which specializes in advanced weighing technology and artificial intelligence used for product recognition, is pleased to announce ~12% growth in revenue in H1 2023 to US\$13.38 million (unaudited), up from US\$11.9 million in H1 2022 (excluding the Healthweigh line revenues).

Shekel continues its efforts to reduce its cash burn from operational activities, and for the first time since 2019 achieves a positive cash from operational activities of US\$ 0.3 million for H1 FY23, compared to a negative cash burn of US\$ 1.7 million in H1 FY22.

Shekel Brainweigh Chairman Arik Schor said: “Our H1 FY23 result is really pleasing and demonstrates the Company’s ability to execute on our ambitious business plan to grow revenue, while reducing our cash burn. We continue to experience strong demand for our products, predominantly in the Retail segment, in line with our strategic plan to focus the Company on a holistic approach solution for this market. We will continue to accelerate business activities, while monitoring our cash with a goal to achieve positive EBITA in Q4, 2023”

Capital Raising through a Loan

Following the repayment of a previous loan in 2022, Shekel announced on February 7th 2023 that the Company completed a first tranche of a new loan of US\$ 2.95 million from a few HNW investors from the US.

As announced on February 7th, the Company intends to complete a second tranche of the loan, which is now expected to occur during Q3-2023.

The Company will publish its full financial report for June 30-2023 on or before August 31-2023.

This announcement has been approved for release by the Board of Directors.

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About Shekel Brainweigh (“Shekel” or “the Company”)

Shekel Brainweigh is 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 G.E Healthcare, Toshiba, Fujitsu, Diebold Nixdorf and others.

Utilizing its experience in weighing technology, Shekel Brainweigh has established its Retail Innovation product line, which 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) has led to the development of its “Product Aware Technology”. Shekel Brainweigh is committed to continuing to innovate and expand into global markets.

To learn more about Shekel Brainweigh, visit www.shekelbrainweigh.com