



# INVESTOR PRESENTATION

DECEMBER 2021

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

ASX: SBW

# DISCLAIMER

This presentation has been prepared by **Shekel Brainweigh Ltd.** ("Shekel Brainweigh" or the "Company") based on information available to it as at the date of this presentation. The information in this presentation is provided in summary form and does not contain all information necessary to make an investment decision.

This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in Shekel Brainweigh, nor does it constitute financial product advice or take into account any individual's investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this presentation but must make its own assessment of Shekel Brainweigh and conduct its own investigations. Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Shekel Brainweigh is not licensed to provide financial product advice in respect of its securities or any other financial products. Cooling off rights do not apply to the acquisition of Shekel Brainweigh securities.

Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Shekel Brainweigh its officers, directors, employees and agents, nor any other person, accepts any responsibility and liability for the content of this presentation including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of or reliance on any of the information contained in this presentation or otherwise arising in connection with it.

The information presented in this presentation is subject to change without notice and Shekel Brainweigh does not have any responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this presentation, which may affect any matter referred to in this presentation.

The distribution of this presentation may be restricted by law and you should observe any such restrictions.

This presentation contains certain forward looking statements that are based on the Company's management's beliefs, assumptions and expectations and on information currently available to management. Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of Shekel Brainweigh to be materially different from the results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the political and economic environment in which Shekel Brainweigh will operate in the future, which are subject to change without notice. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast. To the full extent permitted by law, Shekel Brainweigh and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this presentation (including, but not limited to, any assumptions or expectations set out in the presentation).

# OUR BUSINESS

## GLOBAL MARKET LEADER IN ADVANCED WEIGHING TECHNOLOGIES

### OPERATING IN TWO DISTINCT BUSINESS DIVISIONS



1

### SHEKEL SCALES

ESTABLISHED CORE BUSINESS SINCE 1971

Leading supplier of weighing technologies to global retail and healthcare industries

Operating in two segments:

- Retail (self-checkouts)
- Healthcare (in warmers and incubators)

Selling to blue chip customers

Including Toshiba, Fujitsu, Diebold Nixdorf and GE Healthcare

GE Healthcare



DATALOGIC

FUJITSU

DIEBOLD NIXDORF

TOSHIBA



2

### RETAIL INNOVATION DIVISION

ADDING AI TO IOT LOAD CELL SENSORS

Enabling Retail's Digital Transformation & Frictionless Shopping Experiences

Pursuing significant blue ocean opportunities in autonomous retail to digitise on-shelf activity into valuable retail insights

R&D and commercialisation of new products

Innovendi and hubz (SMART vending machines), Product Aware Shelves (instant product recognition) and autonomous stores micro market solution



HITACHI  
Inspire the Next



# CORPORATE OVERVIEW

## SHEKEL BRAINWEIGH (ASX: SBW)

Global Industry Classification Standard	Information Technology sector, Software & Services industry group
Market cap <sup>1</sup>	A\$36 million <sup>1</sup>
Employees	145
Markets	Europe, UK, USA, Australia, Japan, China, Israel
Shares issued	~ 153 million
Share price	\$0.235 (10 December 2021)
Shareholders	<ul style="list-style-type: none"> <li>Axcel Partners 34.8%</li> <li>Concepta – 23%</li> <li>Agriculture Cooperative – 15%</li> <li>Others – 27.2%</li> </ul>

<sup>1</sup> Based on share price at 10 December 2021

<sup>2</sup> January 1<sup>st</sup> to 30 November - not including French subsidiary

## FINANCIAL OVERVIEW

Shekel Scales YTD <sup>2</sup> CY2021 Revenue	US\$18.2 million
Group CY2020 Revenue	US\$18.3 million
Group CY2020 Gross Profit	US\$7 million

### Achieving one-off and recurring revenue

### SBW 12-month share price





# SHEKEL DEMONSTRATES STRONG REVENUE GROWTH

(UNAUDITED FINANCIAL DATA)

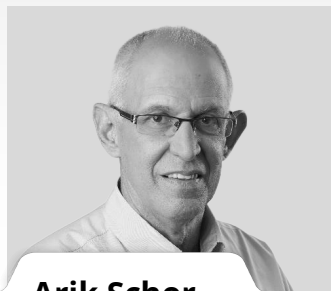
Shekel YTD revenue of  
**US\$18.2M**  
(excluding France subsidiary)

**Revenue growth of  
29% in 2021  
versus CY2020**

Open orders **up 168%**  
at 28/11/21 on same  
period in 2020

- **Shekel total revenue** from 1 January to 30 November **increased 29%** to **US\$18.2** million in CY21 (**US\$14.1** million in CY20)
- **Strong outlook for end of CY21 and CY2022** with **open orders of US\$6.5m** at 28 November 2021 compared to **US\$3.85m** for the same period in CY20
- YTD increases across **both business divisions** :
  - ↑ **Scale division growing 26%** from **US\$13.8m** in CY2020 to **US\$17.4m** at CY2021 and
  - ↑ **Retail Innovation Division growing 215%** from **US\$0.26m** in CY2020 to **US\$0.82m** in CY2021.
- Results reflect **increased customer confidence** – existing and returning Europe and US client orders
- Results achieved despite component and labor shortages and logistical challenges, **demonstrating Shekel's ability to grow its market share**

# AN EXPERIENCED BOARD



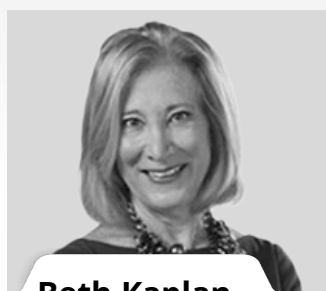
**Arik Schor**  
**CHAIRMAN  
AND CEO**

- 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).



**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.



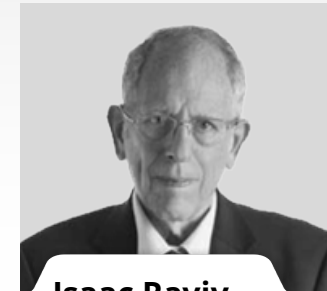
**Shlomo Anikster**  
**NON-EXECUTIVE  
DIRECTOR**

- 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 Slaughterhouse.
- Holds a unique set of skills, possessing a deep and trusted network, and depth of experience in production and inventory management.



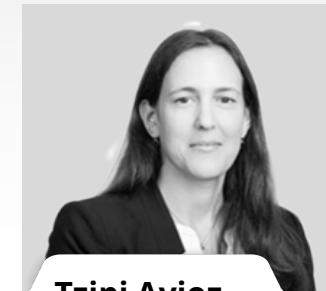
**Michael Hughes**  
**NON-EXECUTIVE  
DIRECTOR**

- 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**

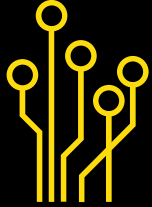
- More than 30 years' managerial experience across the technology sector for private and public Israeli and international companies.
- Has served as chairman and CEO of various companies
- Played an important role in mergers and acquisitions and fundraising initiatives, with a hi-tech focus.



**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

# WHO WE ARE



## TECHNOLOGY INNOVATOR START-UP, UNDERPINNED BY ESTABLISHED BUSINESS

- A precision technology company developing market-leading IP in a 'genius-lab'
- Global markets: supplying leading global blue-chip customers in healthcare and retail – GE Healthcare, Toshiba, Fujitsu, Atom
- Validation in achieving "Gold Partner" status by Intel for Capsule, Innovendi, hubz and as an OEM Supplier – see <https://www.intel.com/content/www/us/en/search.html?ws=text#q=shekel%20brainweigh&t=All>
- Developed the 'Intel inside' equivalent 'Shekel smart' in the self-checkout market



## READY FOR THE FUTURE OF CONTACTLESS SHOPPING IN A POST-COVID WORLD

- Retail needs IoT now more than ever
- Launched AI Retail Innovation platform – to leverage proven sensor technology to enable retail AI applications
- Commercialisation of new products in several markets
- Focus on Retail Innovation



# RETAIL MARKET - SOLUTIONS BY SHEKEL





# OPPORTUNITY TO UNLOCK FRICTIONLESS RETAIL

**\$387B\***

Estimated value of retail transactions processed by frictionless checkout technologies in 2025, up from just \$2B in 2020

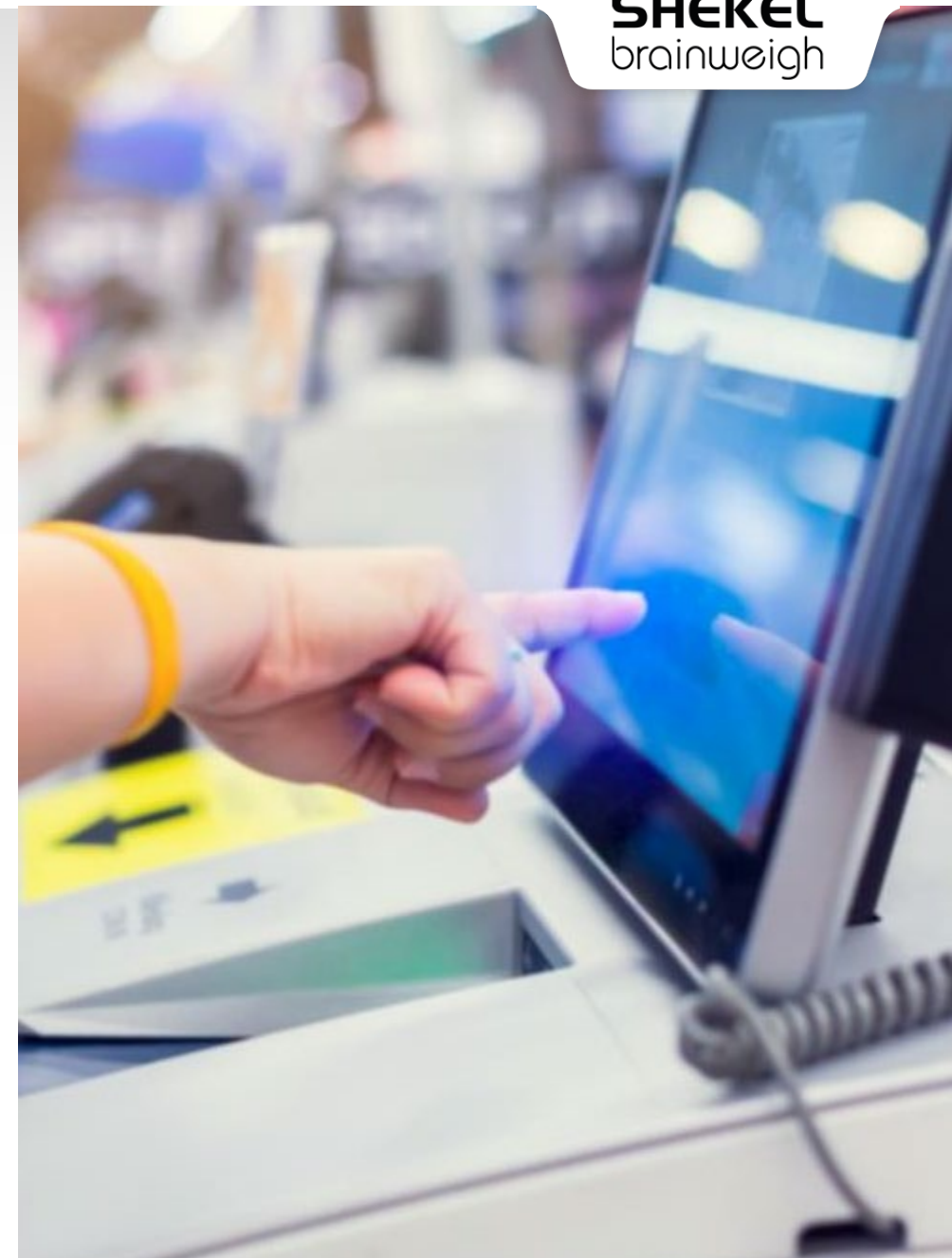
**\$23B\*\***

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

**Most automated recognition solutions** rely on computer vision, RFID tags and traditional scales which **fail** to meet the accuracy threshold. These **eliminate** viable ROI models in this low-margin, giant industry

\* [Sep 2020 – Juniper research](#)

\*\* <https://go.forrester.com/blogs/distinguish-hot-from-hype-in-retail-tech-investments-for-2020/>



# RETAIL INNOVATION

## OUR PRODUCTS



- **Product Aware Shelf** – using IoT, on-shelf electronics, software, AI and algorithms to identify products and movements on shelves
- **Product Aware Bay** – comprising 4-5 Product Aware Shelf units
- **Innovendi** – (1<sup>st</sup> gen) unattended automated locked vending machine incorporating our Product Aware technology
- **Hubz** – (2<sup>nd</sup> gen) unattended micro smart cooler enabling sale of a broader range of fresh and refrigerated products
- **Micro Market Capsule** – Autonomous shopping incorporating SBW's Product Aware Bays, Innovendi units and self check-out technology to allow a fully autonomous store.

# RETAIL INNOVATION - MARKET DEMAND

SEGMENTS



SMART COOLER



MICRO MARKETS

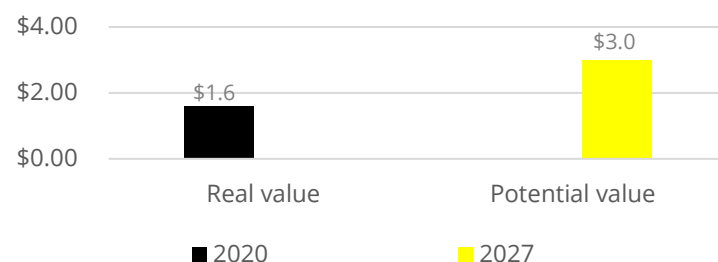


AUTONOMOUS SMALL STORE

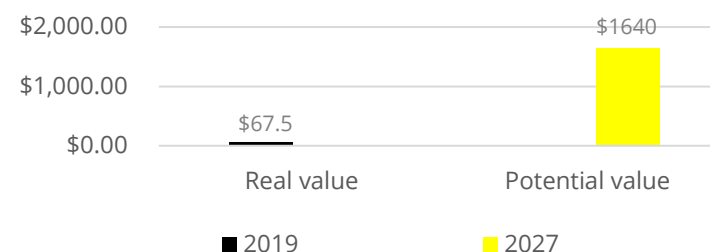


AUTONOMOUS CONVENIENCE

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

# RETAIL INNOVATION

## ACCELERATING COMMERCIALISATION

- First commercial order received (67 units) for SBW's smart vending solution **Hubz** micro cooler launched with Imbera (US) and Parlevel (US) to Belgium's Smart Technics BV
- Flagship micro-market project **Capsule** fully autonomous store launched in Paris with retailer Casino in November 2020. Second store opened July 2021
- Retail Innovation Division recorded 1H CY21 revenue of US\$380,000 from sales of **Innovendi**, **Hubz** and autonomous retail solutions
- Innovendi achieved certification as Market Ready IoT Solutions by Intel®
- Paid product pilots for autonomous stores undertaken with very positive feedback from customers
- First order from Australia for smart shelving received during H1 2020
- Demonstration of Capsule store here:  
<https://www.olivierdauvers.fr/2020/10/08/monop-box-la-visite-video/>





# COMMERCIALISATION OF HUBZ COOLER ACHIEVED

- **Commercial scale order received** for **67 Hubz units** from Belgium's Smart Technics BV
- Smart Technics is a subsidiary of **Colruyt Group (EBR: COLR)**
- Units will be delivered to Smart Technics by the end of CY2021
- Shekel Brainweigh and partners Parlevel Systems and Imbera Cooling **launched Hubz in January 2021**
- Hubz venture had previously delivered to selected clients in **the US and Belgium** since launch
- Hubz cooler **generates revenue** for Shekel Brainweigh via **sale of units and ongoing SaaS revenue**
- Shekel Brainweigh's Retail Innovation Division supplies Hubz Automated Product Recognition platform – a major “smart” component of the cooler.



# RECURRING REVENUE MODEL – RETAIL INNOVATION

## SAAS, DAAS & ONE-OFF REVENUE

### HARDWARE

#### PRODUCT RECOGNITION SOLUTION

ONE TIME CHARGE

+

MONTHLY SAAS\*

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

### DAAS

#### DATA ANALYTICS ENGINE

MONTHLY DAAS\*

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

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

# GROWING OUR RETAIL MARKET PRESENCE

## RETAIL

### SHEKEL SELF CHECK OUT CUSTOMERS



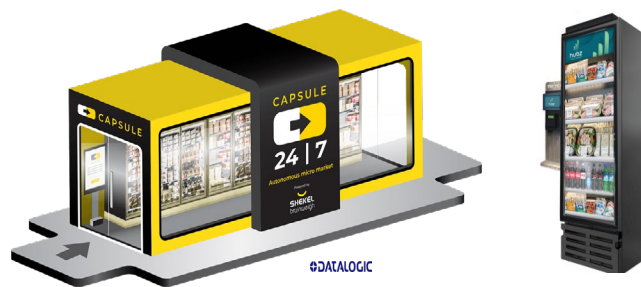
### SUPPLYING THE WORLD'S LARGEST RETAILERS



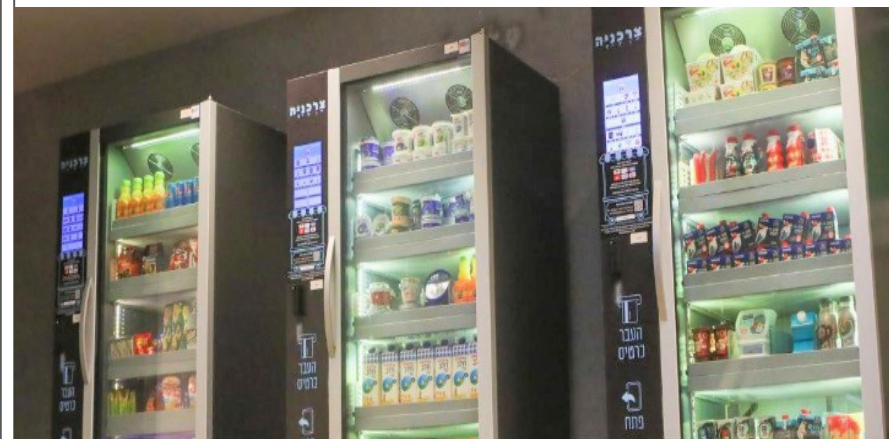
### GO TO MARKET PARTNERS



### INTRODUCTION OF AUTONOMOUS RETAIL SOLUTIONS

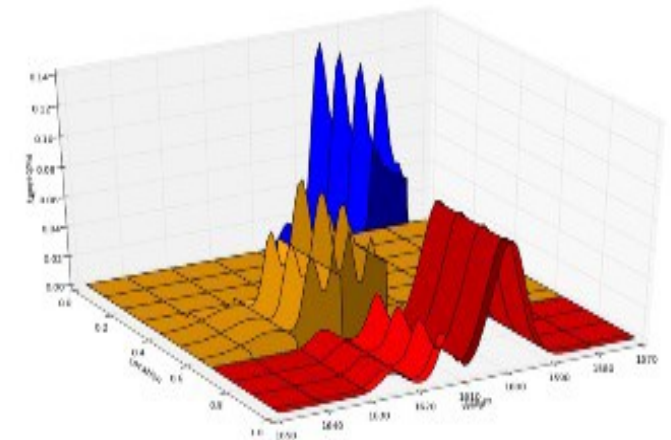


### RETAIL SOLUTIONS GOING LIVE



# COMPETITIVE ADVANTAGE

**ONE** weighing platform with **MULTIPLE** products recognition



Differentiating between similar products

## ACCURACY

# >99.8%

Huge database of grocery weights

## FLEXIBILITY

# 10 SKUs/shelf

Remote planogram control

## AFFORDABILITY

More cost effective than  
Computer Vision or RFID  
systems



# SHEKEL SCALES

## OUR PRODUCTS



### HEALTHCARE

- Healthcare and fitness scales under the Healthweigh® brand:
- Healthweigh® Physician Scales
  - Healthweigh® Special Needs
  - Healthweigh® Baby and Neonatal Scales
  - Healthweigh® Portable Scales



### RETAIL

- Provider of precision checkout electronic scale and weighing solutions:
- Scanner Scales
  - **Self** Checkout Systems



### INDUSTRIAL

- Force measurement weighing and scale solutions for industrial needs:
- Agricultural
  - Manufacturing
  - Military
  - Airport baggage check-in



### OEM WEIGHING SOLUTIONS

Seamless integration into OEM applications, supplying market leaders:

GE Healthcare



FUJITSU

DIEBOLD  
NIXDORF

DATALOGIC™

TOSHIBA

# 2021 SHEKEL SCALES INNOVATION

## Beyond Precise Weight Measurement – FAST TRACK

Visual Fruit and Vegetable Recognition

Plans to accelerate marketing activities in Europe and USA

Frictionless, computer vision-based self checkout that can be used in autonomous stores

AI at 20% of the cost of similar systems

No major infrastructure costs – using current and installed computing devices

Up to 99% accuracy in detection

Scalable to meet any size chain from store to store; automatically updated across the network

High accuracy in an ever-changing world: embedded Deep Learning



# GLOBAL PRESENCE OF SHEKEL PRODUCTS

## SHEKEL PRESENCE

**Long-term clients** in Israel, the US, Europe and the UK, Japan, Brazil

**Global distribution** of Healthweigh including the US, Europe/UK, Asia and Australia

**New orders** in Sweden, Poland and the Netherlands

**Commercialisation** of Innovendi and Product Aware Bays in Israel, UK, Europe and Australia

**Paid pilots** in the US, Australia, France and Israel.

## PRODUCTS & SERVICES

Retail self-checkout technology

AI-enabled retail technology for contactless shopping

Healthcare: precision weighing systems integrated into NICU incubators and warmers for premature babies

Healthweigh® line



-  **Our operations:**  
Operations in China (2 factories, one of them is of a third party) and Hungary (third party).  
Offices in Israel (HQ+ R&D+ Local M&S team+ Retail Innovation team), the European Union, and Australia
-  **Our clients and distributors:**  
North America, South America, Asia, Australia, Europe, UK

# 2H 2021 AND 1Q 2022-OUTLOOK

## POSITIONED WELL FOR GROWTH

Strong momentum in Shekel's core markets in Europe and US in H2 2021

First orders received and expected to be delivered to new key retail customer

Anticipated growth in retail and healthcare segments in Q4 CY21 into CY22

New product development of mobile self-checkout solution to commence

Fast Track – an innovative self-checkout solution expected to launch in H1 2022

Plans to accelerate marketing activities in Europe and Asia; grow revenue through product sales and SaaS

Plan to launch first autonomous store in Israel and a third store in EU

Organisational restructure completed with streamlined spending to maintain strong balance sheet.





# MAJOR MILESTONES SINCE IPO

**2018:** IPO completed:  
Launch of Retail  
Innovation Division

**2019:** First  
commercial  
sales of  
Innovendi

**2020:** Launch of  
Capsule  
automated  
stores

**2021:** First  
commercial  
sales of Hubz

**2022:** Fast Track  
expected to  
launch at NRF in  
NYC

## BUILDING BLOCKS FOR SHEKEL RETAIL INNOVATION

<b>Retail Innovation – platform for growth established</b>	<ul style="list-style-type: none"> <li>• Appointed a CEO and expanded R&amp;D team by &gt;100%</li> <li>• Opened Australian office</li> <li>• Formed strategic partnerships with Intel, Hitachi, Imbera and Parlevel</li> </ul>
<b>Acceleration &amp; commercialisation of key products</b>	<ul style="list-style-type: none"> <li>• Commercialisation of Innovendi in Israel, UK and Spain, and entry to Australian market</li> <li>• Successful commercialisation of Innovendi with about 100 machines deployed in Israel</li> <li>• Autonomous micro store Capsule launched with more in pipeline</li> <li>• Developed and commercialised Hubz micro market cooler</li> </ul>
<b>Continued earnings from core business to support growth</b>	<ul style="list-style-type: none"> <li>• Revenue from product sales and SaaS</li> <li>• Proceeds from product and Proof of Concept pilots</li> </ul>

# WHY INVEST IN SBW

## POTENTIAL TO REVOLUTIONISE RETAIL

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



Danny Nadri  
Country Manager – Australia  
+61 (0)434 680 391  
[danny@shekelbrainweigh.com](mailto:danny@shekelbrainweigh.com)

Barak Nir  
CFO  
+972 50 538 6090  
[barak@shekelbrainweigh.com](mailto:barak@shekelbrainweigh.com)