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# Retail Technology Disruption

INVESTOR PRESENTATION  
JANUARY 2019

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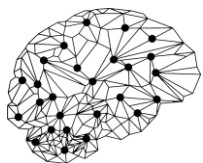
# Intro to Shekel Brainweigh

# Core Business

## Weighing technology is the CORNERSTONE of the Shekel business.



Shekel develops, manufactures, sells and distributes **advanced weighing technology** for the retail, healthcare and industrial markets.



Shekel is combining Artificial Intelligence with its unique weighing technology to offer customers and partners autonomous retail solutions. These solutions address long-term inventory management challenges faced by retailers, by identifying the quantity and location of individual products on retail shelves in real time.



Shekel is aiming to be a global provider of data analytics using weighing technology for top retail and CPG (Consumer Packaged Goods) customers.

# Corporate Overview

## ASX Code

Share Price (as at 28 Jan)

## SBW

\$0.23

## Board of Directors

Dave Sharma

Non-Executive Chairman

**Market Capitalisation** (as at 28 Jan)

**\$31,970,000**

Yoram Ben Porat

CEO and Executive Director

Net Cash <sup>(1)</sup>

A\$5.0 million

Beth Kaplan

Non-Executive Director

**Enterprise Value**

**A\$27,000,000**

Tzipi Avioz

Non-Executive External Director

Isaac Raviv

Non-Executive External Director

**Total shares on issue**

**139,000,000**

Sophie Raven

Non-Executive Director

## Major Shareholders

## Holding

## % IC

AXCEL PARTNERS VI LLC

51,718,791

37.21%

CONSEPTA (2006) LTD

35,221,200

25.34%

BEIT KESHET AGRICULTURAL COOPERATIVE  
SOCIETY

23,060,009

16.59%

<sup>1</sup> Pro forma AUD/USD 0.72

# Investment Highlights



## Execution Track Record of Management

Management with significant expertise across technology and artificial intelligence sectors, bringing to market commercial products. Experience in listing companies on NASDAQ and on other stock markets.



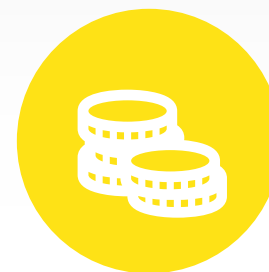
## Years of Operating History

Since its inception, Shekel has grown steadily to establish its position as a leader in the design and manufacturing of weighing technology. Global certifications granted, including ISO for quality management and medical devices.



## Significant Market Share

Long standing global customers, including Toshiba and GE Healthcare. Manufacturing in China and Israel, 16 distributors worldwide and products sold in 14 countries.



## Strong Revenue Base and Profitable

Regular and growing revenue >**A\$24m<sup>(1)</sup>** with profitable operations.



## Exceptional Growth Opportunity

Uniquely positioned to capitalize on the evolving "autonomous retail" demand via its superior weighing technology and access to Retailers & CPG Vendors.

# Leadership Team

**Multidisciplinary team, Leaders in Business, Technology and Artificial Intelligence**

**Dave Sharma**  
Non-Executive  
Chairman



Served as Australia's Ambassador to Israel from 2013 to 2017.

**Yoram Ben Porat**  
CEO & Executive  
Director



Mr. Ben Porat co-founded NUR Macroprinters in 1988, leading the company to its listing on NASDAQ and subsequent sale to Hewlett Packard for US\$117.5m.

**Barak Nir**  
CFO



Mr. Nir has over 25 years' experience serving as Chairman, CEO and CFO for several international private and public companies.

**Yedidia Yossef**  
Deputy CEO



Mr. Yossef has over 25 years' experience in telecommunications, including at Motorola, taking products from engineering & development through to international distribution.

**Guy Moshe**  
CTO



Mr. Moshe has extensive expertise in autonomous retail, including overseeing the development of an algorithm for shopping charts to become instant checkouts.



# Core Products – Retail

Shekel as OEM<sup>(1)</sup> provides the **weighing technology** integrated into point of sale and self checkout systems supplied by:



**TOSHIBA**



**DATALOGIC™**



**FUJITSU**



**DIEBOLD  
NIXDORF**

**Shekel's key advantages:**

Accurate data output • Fast reading time • Competitive cost

1. Original Equipment Manufacturer



# Significant Market Presence



# Other Profit Center – Healthcare

## Healthweigh®

**Shekel** offers a wide range of healthcare & fitness scales under its **Healthweigh®** brand, featuring unique designs.

**Healthweigh®**  
Physician Scales



**Healthweigh®**  
Baby & Neonatal Scales



**Healthweigh®**  
Special Needs Scales



## OEM

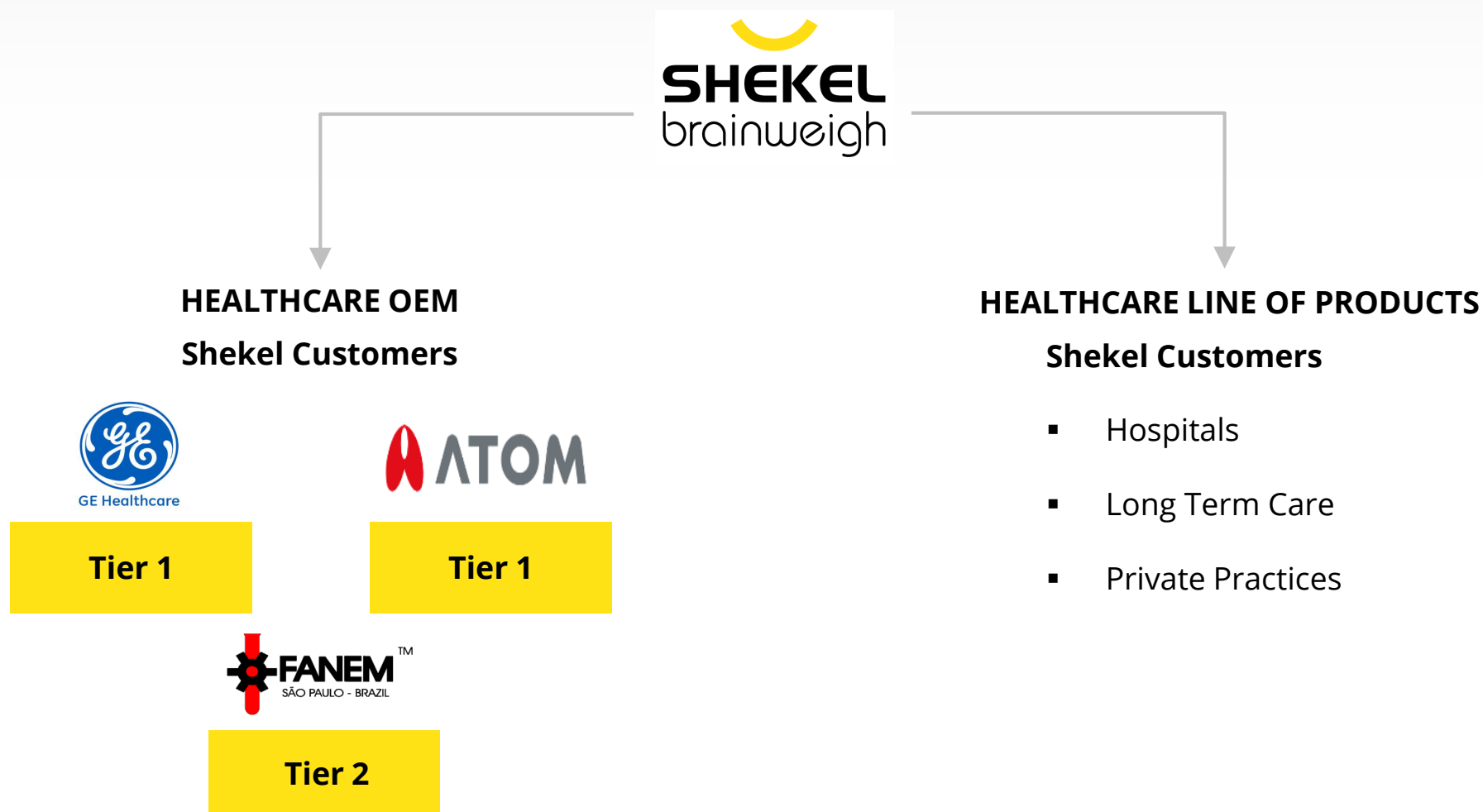
**Shekel** was among the first companies to have its precision weighing systems integrated into incubators and warmers for premature babies.



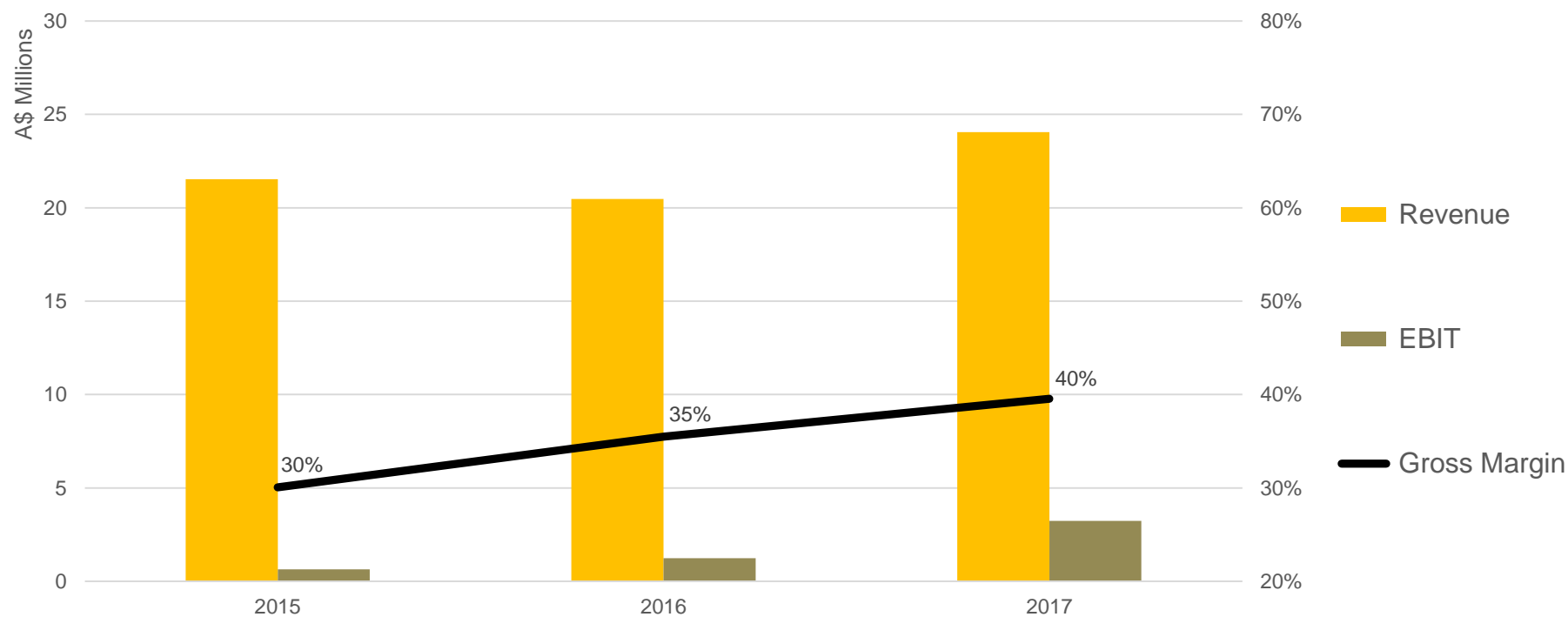
GE Healthcare



# Significant Market Presence



# Financial Highlights



## **Market Opportunity in Autonomous Retail Retail Supply Chain/CPG**

# Traditional Retail Faces a Huge Challenge

- US\$1.1 Trillion costs due to overstock and understock inventory issues<sup>(1)</sup>
- Retailers' profitability is under pressure – declining margins, increasing competition
- US\$3.4 billion invested in 2018 by retailers on automated customer service agents<sup>(2)</sup> to seek to enhance store operations, store automation and customer experience

1. IHL, June 2015

2. The International Data Corporation (IDC), September 2018

# Retail “hungry” for Tech Tech focuses on Retail

Undisclosed  
Amount



Acquired by

**NORDSTROM**

**March 2018**

Nordstrom acquired digital start-ups, **BevyUp** and **MessageYes**, to offer customers a more personalized and interactive experience

USD  
550M



Acquired by

**TARGET**

**December 2017**

- **Shipt** is an internet based grocery delivery service
- **Enables Target** to provide affordable same-day delivery and improve its online competitive position

USD  
3Bn



Acquired by



**September 2016**

The deal had an overwhelming impact on **Walmart's U.S. e-commerce sales** and overall performance

USD  
13.7Bn



Acquired by



**September 2016**

Amazon investing in bricks and mortar grocery chain to gain market share in food industry



# The Shekel Solution

## Shekel's Product Aware Technology

4D Recognition:

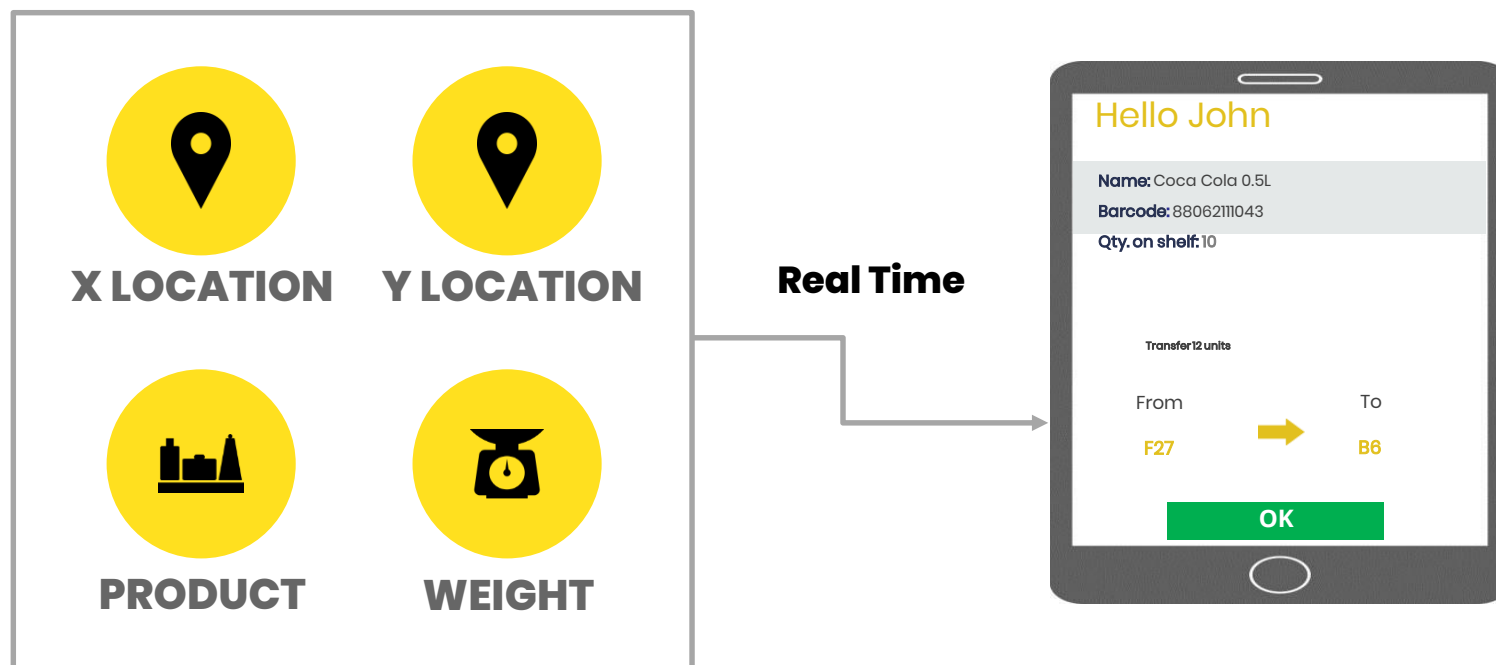
ONE weighing platform, MULTIPLE product recognition



Accurately identifies the quantity and location of individual products on the shelf in real-time



Provides instant feedback when a product is added or removed



# Products

## The Bay

Five product-aware shelves built as a standard "Gondola" construction that provide retailers with real-time data on shelf inventory visibility

## The Promotional Bay

Located at store endcaps, product-aware shelves providing real-time data for retailers and CPG vendors in promotion campaign roll outs, inventory levels and consumer behaviour

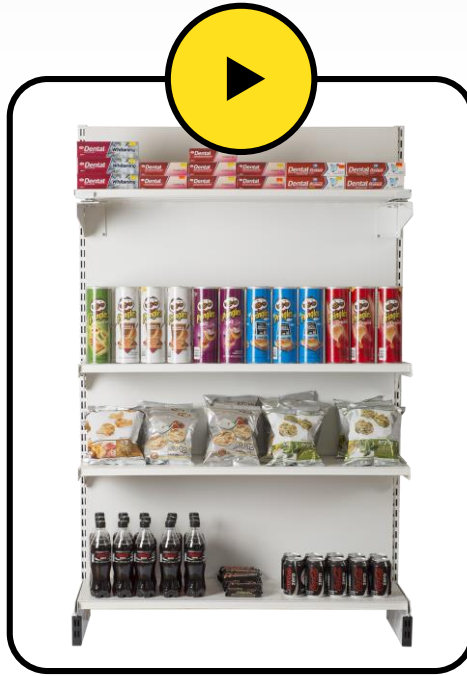
## Goopi

Targeted video advertising technology. Goopi communicates with the shopper instantaneously to promote sales with personalised, online digital video ads

## Innovendi

Unattended automated micro market and vending machine solutions. Sales and inventory data is communicated in real-time back to the vendor

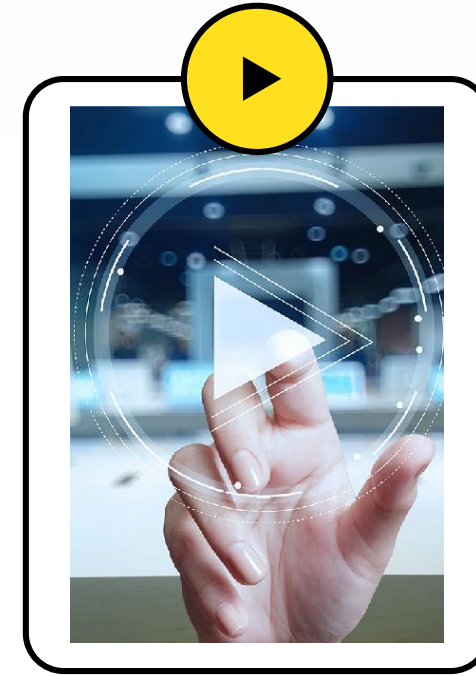
# Demonstrations



**The Bay**



**Innovendi**



**Goopi**

# Strategic priorities in the next [24] months

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## Growth strategy for existing business line

- Strengthen strategic relationships and further involvement in the design, implementation and certification of a client product.
- Build business ecosystem in APAC including new OEM for Healthcare and Retail.
- Establish activities in the US and Australia to increase penetration.
- Leverage key partnerships to expand access to retailers.

## Growth strategy for Retail Innovation Solutions Suite

- Continue product pilots for The Bay, The Promotional Bay, Goopi and Innovendi.
- Commercial discussions underway for further pilots.
- Use AI to generate insights from big data for comprehensive retail grocery chain solutions.
- Top tier first commercial strategic customer for new technologies.

## Growth strategy channels

- Support existing worldwide distributors.
- Form new strategic alliances with go-to-market partners.
- Generate sales through relationships with leading international consulting firms.

# Summary

- Profitable core business with experienced management and proven track record
- Market leaders in weighing sensor technology with a number of blue chip customers
- Positioned for growth in the autonomous retail space with Shekel's autonomous retail solutions

# THANK YOU



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