

ASX ANNOUNCEMENT

20 November 2018

## SHEKEL BRAINWEIGH COMMENCES TRADING ON ASX FOLLOWING OVERSUBSCRIBED IPO

### Highlights:

- *Shekel starts trading on the ASX today after closing an oversubscribed raising of A\$10.15 million through its IPO*
- *Company received strong support from a range of new institutional and retail investors*
- *Shekel commences trading as a profitable company providing advanced weighing technology to global customers including Toshiba, Fujitsu and GE Healthcare*
- *Growth opportunity in retail automation with Shekel's latest Product Aware Surface Technology, which identifies the quantity and location of individual products on retail shelves in real-time*

Advanced weighing technology pioneer company **Shekel Brainweigh Limited ("Shekel" or the "Company")** is pleased to announce it has started trading on the Australian Securities Exchange ("ASX") today under the code "SBW" after receiving strong support for its initial public offering ("IPO").

RM Corporate Finance acted as Corporate Adviser to the Company and Lead Manager raising A\$10.15 million at \$0.35 per share in the oversubscribed Shekel IPO. More than 55% of the raising was subscribed by Australian and international institutional investors, including parties introduced by existing shareholders Axcel Partners, with the remainder taken up by new wholesale and retail investors.

Approximately 92% of the shares on issue at IPO are held by the Top 20 holders and all the pre-IPO shareholders have voluntarily escrowed their holdings for 12 months, underpinning the strong support for the Shekel business. The Company was assisted in joining the ASX from Israel by Ruth Palmon as Israeli IPO Consultant.

Shekel develops, manufactures and distributes **advanced weighing solutions** for the retail, healthcare and manufacturing markets. The Company was founded in 1971 and was an early participant in the development of digital scaling. It has since grown to become a leader in the design and manufacturing of weighing technology worldwide, reporting revenue of more than A\$24 million in CY2017 and with blue chip customers including **Toshiba, Fujitsu, Datalogic, Diebold-Nixdorf, and GE Healthcare**.

Shekel is a supplier of weighing components and solutions to the retail and healthcare sectors.

- **In Retail:** Shekel is a major supplier to the global self-checkout market (scales component) by providing the weighing technology integrated into point of sale and self-checkout systems.
- **In Healthcare:** Shekel offers a wide range of healthcare and fitness scales under its Healthweigh® brand. Shekel was among the first companies to have precision weighing systems integrated into incubators and warmers for premature babies.



## Growth opportunities

The Company will look to expand beyond its traditional core markets by using the IPO proceeds to drive research and development in its Product Aware Surface Technology, which combines unique weighing technologies with artificial intelligence to target the growing **autonomous retail space**.

Shekel's Product Aware Surface Technology can address long term inventory issues at the heart of the retail sector by enabling real-time visibility of point of purchase inventory; accurately identify the quantity and location of individual products on the shelf; and provide instant feedback when a product is added or removed. For example, the Company is planning to commercialise **The Bay** smart shelves, which provides retailers with reliable shelf inventory visibility, and its **Innovendi** autonomous vending machine.

**Commenting on the ASX listing, Shekel Brainweigh CEO, Yoram Ben Porat, said:**

*"Today marks an important and exciting day for Shekel Brainweigh and we are extremely pleased with the level of demand we received from a wide range of new investors and the strong support of our existing investors for the process.*

*"Australia was a natural choice for Shekel to list, as Asia-Pacific is a key geography for our business, we have a facility in China, and also customers in China and Australia.*

*"Shekel has an operating history of over 40 years, growing revenue and profitability by providing our services to long-standing blue-chip global customers, and strong growth opportunities in the autonomous retail space, and we are excited to have brought our business to Australian investors.*

*"With product awareness using weighing sensor technology in the retail space largely undeveloped, we are looking to combine artificial intelligence with our unique weighing technology to offer customers autonomous retail solutions to capture lost sales in out-of-stock and waste of goods in over-stock inventory issues. Our established market position, research and development program, and strong balance sheet means Shekel is well positioned to take advantage of this growing global market.*

*"We welcome our new shareholders and look forward to updating the market as we progress with our expansion and development plans."*

## Ends

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## About Shekel Brainweigh

Shekel Brainweigh has over 40 years of experience as a global leader in developing weighing technology. The company provides weighing solutions to the highly regulated retail, healthcare and industrial markets. With its proven track record, Shekel Brainweigh is developing new weighing technologies to meet the challenges that traditional retail faces today, such as store automation, operational efficiency and enhancing the consumer experience.

The combination of weighing technology with Artificial Intelligence (AI) and Internet of Things (IoT) technology has led to the development of Product Aware Surface Technology. The first suite of new products is the Retail Solutions Suite which benefits the retail industry. Shekel Brainweigh's excellence is its success and the company will continue to innovate and expand into global markets.

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