

Shekel progresses retail store automation development with Hitachi Europe R&D and commercial collaboration agreement

Highlights:

- **Shekel to collaborate with global tech leader Hitachi Europe for the joint development and marketing of the world's first LiDAR-based Autonomous Store Bundle – allowing retailers and shoppers alike to enjoy secured privacy and high precision frictionless shopping experience.**
- **The developed Autonomous Store Bundle combines Shekel's superior Product Aware product recognition technology and Hitachi's world-leading LiDAR optical motion sensors.**
- **Proof of Concept of the Autonomous Store Bundle and showcases expected during H1 CY20.**
- **Shekel continues to collaborate with leading blue-chip companies to be at the forefront of the global trend towards retail store automation.**

Advanced weighing technology company **Shekel Brainweigh Limited ("Shekel" or the "Company")** is pleased to announce that it has signed an R&D and commercial collaboration agreement with Hitachi Europe Limited ("Hitachi Europe"), for the joint development and marketing of first of its kind autonomous retail shopping solutions. Hitachi Europe is one of the world's leading providers of people tracking technology and is part of the Japanese multinational technology conglomerate Hitachi Ltd.

The agreement is for the development and marketing of the Autonomous Store Bundle ("Bundle" or the "Product") a full solution for autonomous retail shopping aimed at micro markets, convenience stores and independent operators. The Bundle aims to include Hitachi Europe's world class people tracking technology for the identification and tracking of shoppers, together with Shekel's Product Aware Shelves, which provide the most accurate product recognition technology detecting activity on retail shelves in real-time (product taken/returned or misplaced in real-time).

The Bundle will enable flawless identification and tracking of shoppers (identified through disclosure of shopper's payment devices for billing and clearance purposes) in an autonomous store area, whilst seamlessly collecting products from shelves, being automatically charged, and leaving the store without the need to go through a checkout device.

Autonomous store bundles will provide benefits to retailers including monitoring shopper traffic and behaviour, and enhanced inventory management with real time shelf activity recognition.

Unlike traditional cameras that use visible light to capture details such as colours and facial features, Hitachi Europe's LiDAR sensors, under the Hitachi-LG Data Storage brand developed with LG Electronics, are based on light waves from a laser. The LiDAR based autonomous store bundle will



include a sensor coverage area three times larger than a typical retail-camera covered area, which combined with Shekel's complete accuracy of on shelf retail activity, will result in a higher quality Bundle solution at a much lower operational cost.

The collaboration will include joint marketing from Hitachi Europe and Shekel for the commercialisation of the product when it is developed. Proof of Concept of the technology and showcases in EMEA is expected during H1 CY20.

The collaboration agreement is further progress in the development of Shekel's standalone Retail Innovation Division and follows on from the Company's collaboration with Intel announced to the ASX on 16 January 2019 and from Shekel's first commercial order for its autonomous vending machines, Innovendi, announced on 20 February 2019.

Shekel Brainweigh Chief Executive Officer, Yoram Ben Porat, commented:

"The global retail industry is inevitably moving towards store automation and we are on the cusp of this trend. The ability to collaborate in research and development with global technology players such as Hitachi, is a reflection of Shekel's expertise in precision weighing technology, and the potential this offers in disrupting the retail consumer shopping experience. I am pleased to say that we are continuing to attract the interest of blue-chip companies as our precision weighing technology is the most accurate in the market."

"What we aim to provide, by collaborating with industry partners, is end-to-end autonomous shopping including shopper identification, virtual shopping cart management, charging & billing, for the shopper to seamlessly shop and for retailers to analyse retail shelf activity and consumer behaviour."

"Traditional retail is being disrupted by new technologies and we look forward to developing and market the world's first LiDAR based autonomous store bundle with our partner Hitachi."

Commenting on the agreement, Hitachi Europe Product Manager Security Product Group, Hideki Hayashi, added:

"As the manager responsible for LiDAR products in EMEA markets, I consider the R&D and commercial collaboration with Shekel Brainweigh to be the perfect partnership as we both bring our respective capabilities to develop a seamless consumer shopping experience. We are extremely pleased to collaborate with Shekel Brainweigh, which we believe is the best digital weighing technology developer globally."

"The collaboration builds on our expertise in optical motion sensors, together with Shekel's advanced Product Aware Technology, and further strengthens our commitment to overcome the challenges, and address the significant opportunities, in global retail store automation."

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Investor relations and media enquiries

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About Hitachi Europe Ltd.

Hitachi Europe Ltd., a wholly owned subsidiary of Hitachi, Ltd. (TSE: 6501, "Hitachi") is headquartered in Maidenhead, UK. The company is focused on its Social Innovation Business - delivering innovations that answer society's challenges. Hitachi Europe and its subsidiary companies offers a broad range of information & telecommunication systems; rail systems, power and industrial systems; industrial components & equipment; automotive systems, digital media & consumer products and others with operations and research & development Laboratories across EMEA. For more information, visit <http://www.hitachi.eu>

For more information on the 3D LiDAR sensor, visit <https://hitachi-lg.com/>

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, 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 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 the "Product Aware 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/>