

BRAINCHIP ANNUAL GENERAL MEETING 2019



Akida™ is the Edge Network

**Louis DiNardo – CEO
30 May 2019**

BRAINCHIP FINANCIAL UPDATE



- Operating Cash Flow 2018* – (US\$7.1M) vs. (US\$6.7M) in 2017
 - Administrative Expenses – US\$3.7M compared to US\$3.2M in 2017
 - Sales and Marketing Expenses – US\$1.4M compared to US\$601K in 2017
 - Research and Development Expenses – US\$2.9M compared to US\$ 2.9M in 2017
- Cash Receipts – US\$1.0M
- Cash at Year End 2018 – US\$7.5M
- Capital Requirements in 2019 supported from Increased Cash Receipts or Fund Raising

*Excludes Capital Expenditures

BRAINCHIP FINANCIAL UPDATE



- Restructuring
 - Reduction in Planned Expense – \$US1.3M to US\$1.5M
 - Sales and Marketing Expense Headcount Reductions – 5 Terminations
 - Reduction in Board – 6 to 5 with Retirement of Julie Stein
- Equity Realignment
 - Elimination of 11 June CEO Performance Rights
 - Grant of Options at a Significant Premium to Market Retired Equity
- Sales Realignment
 - BCS Focus on Tier 1 OEMs
 - Eliminate End Users Sales Effort
- Akida Emphasis
 - Research and Marketing

BRAINCHIP BUSINESS UPDATE



- Introduction of the Availability of Akida Intellectual Property for Licensing
- Socionext Selected as Akida Development and Manufacturing Partner
- Provisional Patent Filing on Akida Inventions
- Introduction of the Akida Development Environment
- Introduction of the Akida Architecture
- FPGA Implementation of Akida Neural Fabric and CPU Complex
- Cybersecurity License for Native Spiking Neural Network (SNN)

BRAINCHIP BUSINESS UPDATE



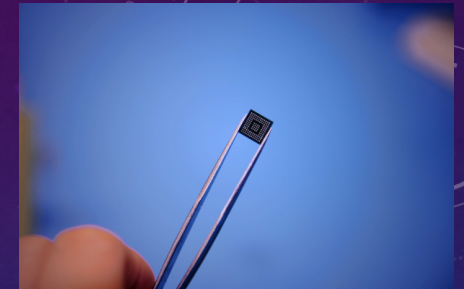
- Acceleration of Akida Development Environment Evaluations
- Initial Discussions of Akida Intellectual Property Licensing
- Successful Trial of BrainChip Studio and Shipment of Accelerator to Large OEM
- GPI – Completion and Delivery of Vision System Prototype
- Veritone – Completion and Delivery of BrainChip Studio OEM
- Salient – Completion of BrainChip Studio OEM Integration
- Quantum – Integration with StorNext File Management System

BRAINCHIP TEAM



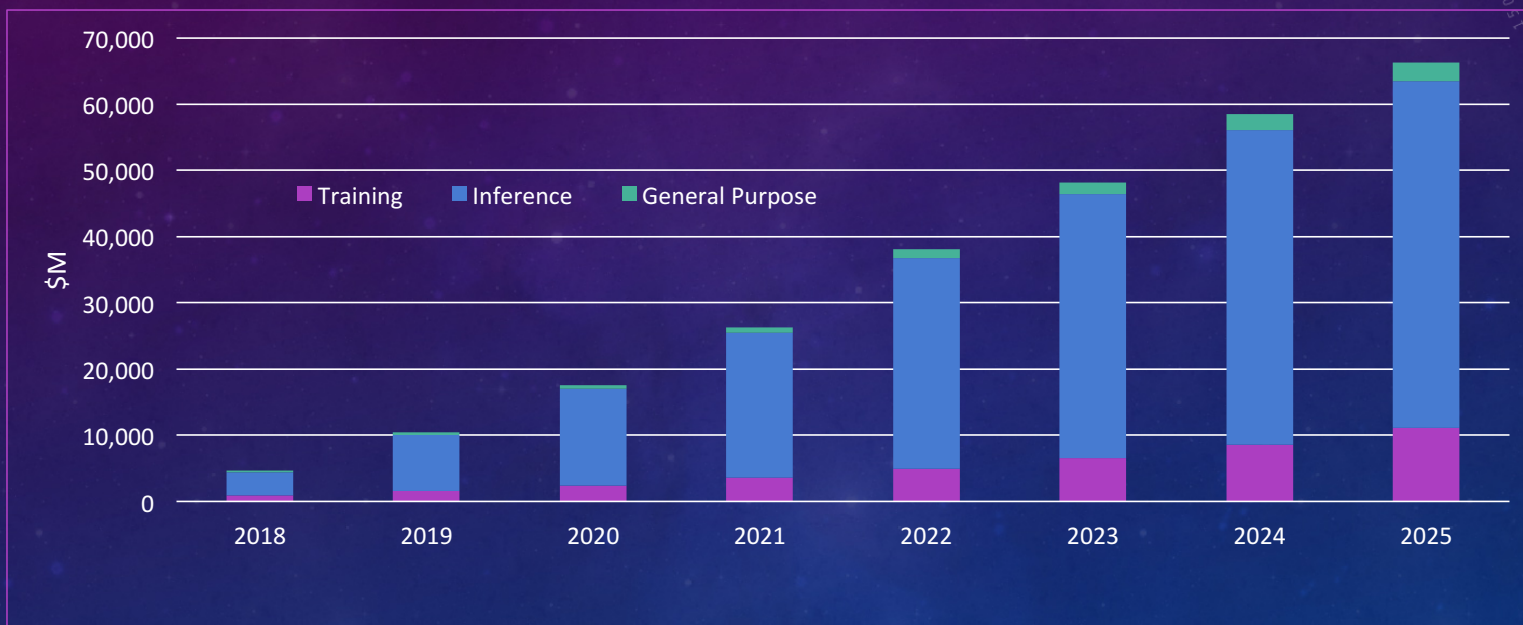
- Headcount 35
 - Louis DiNardo – CEO
 - Peter van der Made – CTO
 - Anil Mankar – CDO
 - Roger Levinson – COO
 - Ken Scarince – VP Finance
 - Toulouse, France – 15
 - Aliso Viejo, California US – 15

BRAINCHIP OVERVIEW



- BrainChip is the leading developer of Advanced Artificial Intelligence (AI) Devices for Applications at the “Edge”.
- “AI at the Edge” is a high-volume, high-growth market.
- Intelligence is provided and analytics are performed at the point of acquiring data rather than data being transferred to a central processing core in a data center or in the cloud for analysis and action.

AI CHIPSET FORECAST

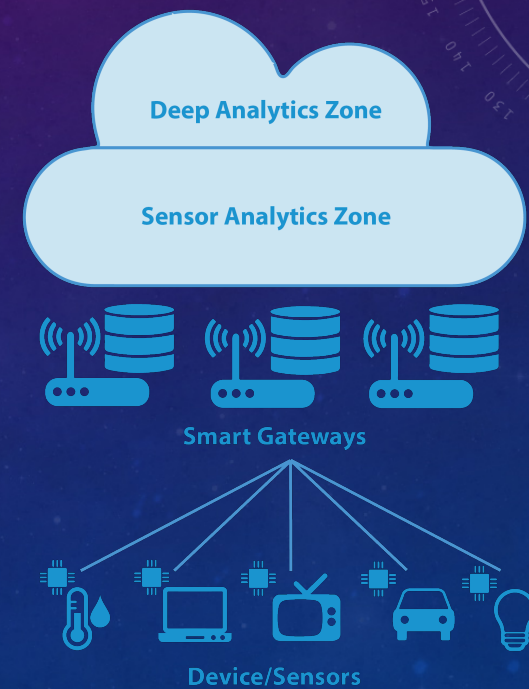


Tractica 2018 Forecast Growth from US\$5B to US\$66B (47% CAGR)

AI EDGE APPLICATIONS



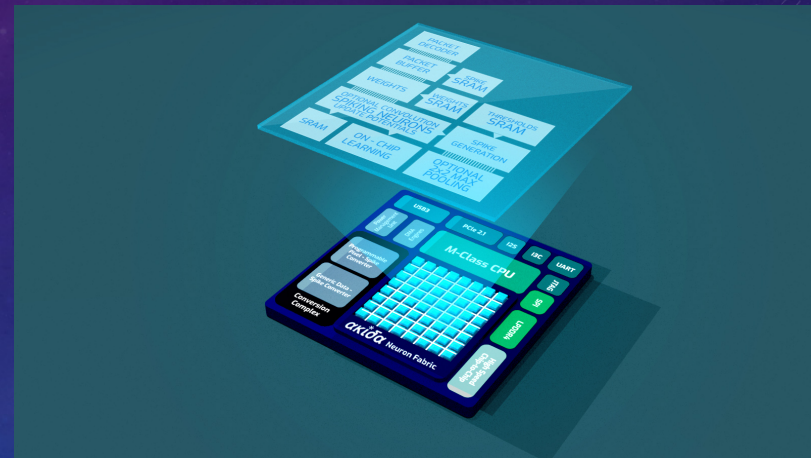
- Low Power, Low Latency and High Accuracy are critical attributes for AI “Edge” applications in:
 - Surveillance
 - Advanced Driver Assistance Systems (ADAS)
 - Vision Guided Robotics
 - Drones
 - Industrial Internet-of-Things (IoT)
 - Acoustic Analysis
 - Cybersecurity



BRAINCHIP AKIDA TECHNOLOGY



- Fully User Re-Configurable Event-Based Spiking Neural Network (SNN) technology.
- SNN uses threshold logic in a low-cost standard digital CMOS process with proprietary learning rules.
- Up to 1.2M Neurons and 10B Synapses
- Multiple Neural Processing Cores



AKIDA MAJOR ADVANTAGES



- Complete AI Edge Network on a chip
 - User Re-Configurable Single Chip Solution
 - On-chip Training and Inference
 - Unsupervised Learning at the Edge without Training
- Ease of Use
 - Complete Simulation in the Akida Development Environment
- Multiple Learning Modes
 - Native Event-Based SNN
 - Convolutional to Event-Based SNN
- High Performance
 - Low Power Operation is Scalable – estimated at 2micro watts to mill watts
 - Low Latency Operation is Scalable – down to 5mS
 - High Accuracy Operation is Scalable – up to 98%

AKIDA BUSINESS MODEL



- Akida Development Environment – Free to Beta Users
- Akida Intellectual Property – Direct and Channel Partner Sales Globally
- Akida Device – Direct and Channel Partner Sales Globally
- Akida Reference Board – Direct Sales to Qualified Users
- Akida USB Module – Online Retail Sales and Select Channel Partners Globally



AKIDA PRODUCT ROADMAP



AKD1000

AKD1000IP

AKD1000USB

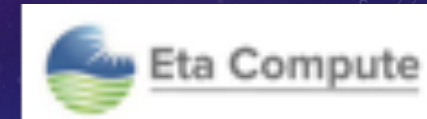
AKD500

AKD2000IP

AKD2000

- AKD1000 User Re-Configurable AI Edge Device for OEMs and Module Manufacturers
- AKD1000IP User Re-Configurable AI Edge IP for ASIC Integration
- AKD1000USB User Re-Configurable USB Dongle for Research and Development
- AKD500 Application Specific User Re-Configurable for Low Cost High Volume AI Edge Applications
- AKD2000IP User Re-Configurable Advanced Learning Rules for ASIC Integration
- AKD2000 User-Configurable Advanced Learning Rules Device for OEMs and Module Manufacturers

AKIDA COMPETITION



GyrFalcon

- Event-based or math-based Edge solutions

THANK YOU

