



Press Release

SHL announces annual results 2019

Tel Aviv / Zurich, 30 April 2020 – SHL Telemedicine Ltd. (SIX Swiss Exchange: SHLTN) (“SHL”), a leading provider and developer of advanced personal telemedicine solutions, announced today the results 2019.

Key figures 2019: Positive operational performance

- **Total revenues for the period were USD 41.9m, compared to USD 47.6m¹ in 2018 (USD 48.9m as reported). Revenues, excluding performance-based revenues, were up 1% to USD 39.9m compared to USD 39.4m¹ in 2018.**
- **Performance-based revenues in 2019 were USD 2.0m related to costs saving under a Chronic Disease Telehealth contract in Germany relating to the years 2015 and 2017, compared to USD 8.2m¹ in 2018 from costs saving under contracts relating to the years 2015, 2016 and 2017.**
- **EBITDA² for the year was USD 9.4m, compared to USD 15.8m¹ in 2018 (USD 16.5m as reported). EBITDA from ongoing operations³ was USD 7.6m, compared to USD 7.0m¹ in 2018.**
- **Net profit was USD 5.7m, compared to USD 9.6m¹ in 2018.**
- **Operating free cash flow was USD 8.9m, compared to USD 11.6m in 2018.**

Yoav Rubinstein, CEO of SHL Telemedicine, said: “We closed the 2019 financial year with satisfactory results. Revenue¹ and EBITDA from ongoing operations^{1,3} grew, underscoring the Company’s position as a telehealth leader in its respective markets. We will continue to deepen the penetration of our platforms in the German and Israeli markets while expanding the smartheart™ platform in the US and other global territories. We were pleased to see our chronic disease telehealth programs continue to create value for our customers and in return, the Company generated an additional income of USD 2.0 million. With consistent proven outcomes in our chronic disease telehealth programs, the Company is transitioning from performance-based contracts to fixed only contracts which will also smooth out top line performance from these contracts in the next years.”

Yariv Alroy, Chairman of SHL said: “During the first quarter of 2020, the COVID-19 pandemic erupted, causing major disruptions and risks to everyday life around the globe coupled with a sharp economic slowdown. The company took far reaching measures early in the crisis to allow it to continue to operate safely and seamlessly while adopting new operational models to service and recruit customers and has done so successfully to date without any material adverse impact on the business.

Given the characteristics of the crisis and it being a rolling event, we cannot assess further the expected impact on the company at this time and we continue to monitor the developments very closely. During the COVID-19 crisis, we have witnessed increased usage of telehealth as an

¹ In Constant Currency - in order to enable meaningful comparison between 2019 and 2018 results, 2018 results are also presented at 2019 constant currency exchange rates. Management believes that this presentation enables a more meaningful comparison between the periods due to the significant fluctuations in NIS/USD/EUR exchange rates during the period.

² Earnings before interest, taxes, depreciation, amortization and impairments.

³ Earnings before interest, taxes, depreciation, amortization and other expenses/income and excluding performance-based revenues.



alternative to traditional physician office visits and as we look into the future, we expect that this will have a lasting impact which will further accelerate the adoption of telehealth and should translate into growth opportunities for SHL in the mid-term.”

Kadima BV Acquisition

The signing of a definitive agreement in connection with the acquisition of Kadima BV (cf. SHL’s press release dated 28 August 2019) has not been concluded as of this date, due to delays in the due diligence process. As of this publication date, the Company is still examining the opportunity.

The consolidated financial statements and the Annual Report 2019 are available on: www.shl-telemedicine.com/about-us/investorrelations/financial-reports-pres-2020/

Key figures (as reported):

in USD million (except per share amounts)	2019	2018	% change
Revenues for the year	39.9	40.3	(1%)
Performance-based revenues	2.0	8.6	(77%)
Revenues	41.9	48.9	(14%)
Revenues			
• Germany	20.6	27.6	(25%)
• Israel	21.1	20.7	(67%)
• Other	0.2	0.6	
EBIT	5.1	12.0	(58%)
EBITDA	9.4	16.5	(42%)
Net profit	5.7	10.1	(44%)
EPS	0.54	0.96	(44%)
Operating free cash flow	8.9	11.6	(3%)

Key figures (from ongoing operations in constant currency):

in USD million	2019	2018	% change
Revenues for the year	39.9	39.4	1%
Revenues for the year			
• Germany	18.6	18.0	4%
• Israel	21.1	20.8	1%
• Other	0.2	0.6	(67%)
EBIT	3.7	3.1	21%
EBITDA	7.6	7.0	9%

**Financial calendar**

2 June 2020	Special General Meeting, Tel Aviv, Israel
16 September 2020	Half-year 2020 results
1 October 2020	Annual General Meeting, Tel Aviv, Israel

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About SHL Telemedicine

SHL Telemedicine is engaged in developing and marketing personal telemedicine systems and the provision of medical call centre services, with a focus on cardiovascular and related diseases, to end users and to the healthcare community. SHL Telemedicine offers its services and personal telemedicine devices to subscribers utilizing telephonic and Internet communication technology. SHL is listed on the SIX Swiss Exchange (SHLTN, ISIN: IL0010855885, Security No.: 1128957). For more information, please visit the web site at www.shl-telemedicine.com.

Some of the information contained in this press release contains forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. SHL Telemedicine undertakes no obligation to publicly update or revise any forward-looking statements.