

May 8, 2012

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Ladies and Gentlemen,

**Re: Notice of an Annual Meeting of the Shareholders of S H L Telemedicine Ltd.**

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of the Shareholders (the "Annual Meeting") of S H L Telemedicine Ltd. (the "Company"), will be held on June 12, 2012 at 10.00 a.m. (Israel Time) at the Company's registered office, located at 90 Yigal Alon Street, Ashdar Building, Tel-Aviv, Israel.

**The agenda of the Annual General Meeting includes the following matters:**

1. Presentation and discussion of the Company's financial statements for the fiscal year ending December 31, 2011, as approved by the board of directors of the Company (the "Board") on March 27, 2012.
2. The re-appointment of Kost, Forer, Gabbay & Kasierer (members of Ernst & Young Global) as the external auditors of the Company for the fiscal year 2012 and authorization to the Board to determine the remuneration of such external auditors and the other terms and conditions of their engagement.
3. Election of directors to the Board, who shall serve as directors of the Company until the next annual general meeting of the shareholders of the Company. The current candidates are: Mr. Yoram Alroy; Mr. Elon Shalev; Mr. Yariv Alroy; Mr. Erez Alroy; Mr. Ziv Carthy; and Ms. Dvora Kimhi. The vote with respect to each of the above shall be conducted separately.

The director nominees have submitted to the Company the declarations required pursuant to Sec. 224b of the Companies Law with respect to fulfilling the legal requirements to serve as directors of the Company.

Any shareholder desiring to propose a candidate for election to the Board of Directors of the Company, shall, as a condition to such proposal being considered, advise the Company in writing of the identity of such candidate no later than on May 14, 2012, 10:00 a.m. (Israel Time).

4. Subject to the re-election of Ms. Dvora Kimhi and Mr. Ziv Carthy to the Board at the Annual General Meeting, and further to the prior approval and authorization by the Audit Committee (acting also in its capacity as the Compensation Committee with respect to Mr. Carthy) and the Board of the payment by the Company to each of Ms. Dvora Kimhi (or an entity controlled by her, at her request) and Mr. Ziv Carthy (or G.Z. Assets and Management Ltd., the shareholder appointing Mr. Carthy, or an entity controlled by him, at his request) of a compensation equivalent to the compensation paid by the Company to each of its Independent (external) Directors, namely, reimbursement of reasonable expenses plus: (a) an annual fee paid for each fiscal year (or portion thereof on a pro rata basis) during which a person serves as a director of NIS 55,438, being an amount between the "set" amount and the "maximum" amount stipulated under the Companies Regulations (Rules for Remuneration and Expenses

for an External Director), 5760 – 2000 (the “Remuneration Regulations”), based on the Company’s respective rank, as determined in accordance with the Remuneration Regulations, based on the Company’s shareholders’ equity as it appears in its audited balance sheet for the preceding year; (b) a participation fee in the “set” amount, all as stipulated under the Remuneration Regulations, which is paid for the participation (including via teleconference or a resolution in writing) of the director in each meeting of the Board or any committee thereof, such amount to be CPI linked pursuant to the Remuneration Regulations, and in each case plus applicable VAT in the event such remuneration is paid to an entity controlled by, or appointing, the applicable director (as the case may be); and (c) insurance and an undertaking to indemnify by the Company identical to the insurance and undertaking to indemnify given to all other directors and office holders of the Company and previously approved by the Company's organs (together, the "Non-Executive Director Compensation"); to approve and authorize the Non-Executive Director Compensation pursuant to Sections 270(1) and 272, Sections 270(3) and 273, and Sections 270(4) and 275 (with respect to Mr. Carthy) of the Companies Law.

Note:

The following items were previously approved by the Audit Committee (acting also in its capacity as the Compensation Committee), the Board and the shareholders of the Company at the 2011 AGM pursuant to Sec. 270(3) and Sec. 273, as well as Sec. 270(4) and 275 (with respect to officers and directors that are controlling shareholders of the Company):

- (a) The terms of service applicable to Mr. Elon Shalev as Chairman of the Board (who is deemed a controlling shareholder of the Company) which remain in effect as long as Mr. Shalev will serve as the Chairman of the Board, subject to obtaining, from time to time, all corporate approvals requisite under applicable law;
- (b) The directors and officers insurance and indemnification undertaking issued by the Company with respect to all directors and office holders now and in the future, including with respect to external directors and the officers and directors who are controlling shareholders of the Company, which will continue to apply, inter alia, to the Company's independent directors and executive directors;
- (c) The compensation payable to the Company's Independent (external) Directors (i.e. Mr. Nissim Zvili and Ms. Nehama Ronen), which will continue during all of their respective terms of service.

The approval of resolutions 2, 3, and 4 (except with respect to Mr. Carthy) above requires the consent of the holders of a simple majority of the voting power represented at the Annual Meeting in person or by proxy or ballot, as the case may be, and voting thereon.

Pursuant to Sections 270(4) and 275 of the Companies Law, the approval of resolution 4 with respect to Mr. Carthy requires the affirmative vote of a majority of shares present at the Annual Meeting, in person or by proxy or ballot, and voting thereon, provided however, that either (i) the majority vote at the general meeting includes a majority of the shareholders voting power represented at the Annual Meeting and who do not have a personal interest in the transaction (without abstaining votes); or (ii) the total number of objecting votes of those shareholders who do not have a personal interest in the transaction and who participate in the vote does not exceed two percent (2%) of all of the voting rights in the Company.

The full versions of the resolutions proposed for the Annual Meeting and the underlying materials referenced hereunder are available for inspection at the Company's registered office, located at 90 Yigal Alon Street, Ashdar Building, Tel-Aviv, Israel (Tel: #972-3-5633888), Sunday to Thursday, between 9:00 to 17:00 (Israel Time) or at the Company's Swiss investor relations representative, The Investor Relations Firm AG, located at Raemistrasse 4, 8024 Zurich, Monday to Friday, between 9:00 to 17:00 (CET).

The record date for the right to participate and vote in the Annual Meeting was set by the Board of Directors of the Company as May 14, 2012 (the "Record Date"). All shareholders at the Record Date may participate and vote in the Annual Meeting by attending the Meetings in person or by proxy (the "Proxy"). **Kindly note that**, pursuant to the regulations promulgated under the Companies Law, shareholders **may** also vote on certain matters by submitting a written ballot with respect thereto (the "Ballot"). Shareholders may submit the Ballot with respect to resolutions 3 and 4 of the resolutions to be passed at the Annual General Meeting (but may vote thereon in person or by Proxy). Vote on matter 2 must be done by attending the meeting in person or by Proxy. **Kindly note that the vote by Ballot is by filling in PART II of the Ballot.**

Each proxy must be delivered to the registered office of the Company (for the attention of Mr. Eran Antebi) or to SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland (for the attention of Ms. Huong Ngo) not later than 48 hours prior to the Annual Meeting. A specimen of the proxy is attached hereto and additional copies can be obtained at the Company's registered office or from SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland. Kindly note that the proxy, if executed and sent, should be in the name of a person who is attending the Annual Meeting.

The Ballot must be delivered to the registered office of the Company (for the attention of Mr. Eran Antebi) or to SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland (for the attention of Ms. Huong Ngo) not later than 72 hours prior to the Annual Meeting. For the Ballot to become effective: (i) any shareholder whose shares are registered with the Company's registrar of shareholders must enclose a copy of such shareholder's identity card, passport or certificate of incorporation, as the case may be; and (ii) any shareholder whose shares are registered with SAG must enclose a written confirmation from SAG as to its ownership of the voting shares. A specimen of the Ballot is attached hereto and additional copies can be obtained at the Company's registered office or from SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland. **Kindly note that the vote by Ballot is by filling in part II of the Ballot.**

Should you elect to distribute a shareholder statement, such shareholder statement must be delivered to the registered office of the Company (for the attention of Mr. Eran Antebi) or to SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland (for the attention of Ms. Huong Ngo) not later on **May 24, 2012**. Any Shareholder Statement shall be delivered to all shareholders by SAG no later than **five (5) days** following receipt thereof. Should the Company elect to state its position with respect to such Shareholder Statement, it shall deliver such position (the "Company Statement") to the shareholders, via SAG, no later than **twelve (12) days** prior to the Annual General Meeting (**i.e. May 31, 2012**).

Copies of any such Shareholder Statement(s) or Company Statement(s) can be obtained at the Company's registered office or from SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland.

Any such Statement must be written in a clear and simple language, and shall include no more than 500 words per subject matter, and a total of no more than 1,500 words. A Shareholder Statement shall detail the identity of such shareholder, as well as his percentage interest in the Company; a

shareholder who is a corporate entity shall detail the identity of its controlling shareholder(s), as well as additional holdings (if any) of such controlling shareholder(s) in shares of the Company, to the best knowledge of the shareholder submitting the Shareholder Statement. A shareholder submitting the Shareholder Statement, who acts in consort with others with respect to voting in shareholder meetings, whether in general or with respect to certain matter(s) on the agendas, shall indicate so in the Shareholder Statement, and shall describe the aforementioned arrangements and the identity of the shareholders so acting in consort. Any shareholder (as well as any shareholder acting in consort with such shareholder) having a personal interest in any matter on the agendas, shall describe the nature of such personal interest.

Any shareholder may revoke his/hers/its Ballot by submitting a cancellation notice (the "Cancellation Notice"). The Cancellation Notice together with sufficient proof as to the identity of such canceling shareholder, to the absolute discretion of Mr. Eran Antebi, must be delivered to the registered office of the Company (for the attention of Mr. Eran Antebi) or to SIX SAG AG, Baslerstrasse 100, CH-4601 Olten, Switzerland (for the attention of Ms. Huong Ngo) not later than **24 hours** prior to the Annual Meeting. Any such shareholder submitting a Cancellation Notice may only vote by attending the Annual Meeting in person or by Proxy.

One or more shareholders holding, at the Record Date, shares representing five percent (5%) or more of the total voting power in the Company, as well as any holder of such percentage out of the total voting power not held by the controlling shareholder(s), as such term is defined under Section 268 of the Companies Law, may, following the Annual General Meeting, in person or by proxy, inspect the Ballots and the record thereof at the Company's registered office, located at 90 Yigal Alon Street, Ashdar Building, Tel-Aviv, Israel (Tel: #972-3-5633888), Sunday to Thursday, between 9:00 to 17:00 (Israel Time). The competent court may, at the request of any shareholder who does not hold, at the Record Date, the aforementioned percentage, instruct the Company to allow the inspection of said documents and records, in whole or in part, on terms and conditions determined by the court.

If within half an hour from the time appointed for the Annual Meeting, a quorum is not present (according to Article 21 of the Articles of Association of the Company and the decision of the Board of Directors), the Annual Meeting shall stand adjourned on June 19, 2012 at 10.00 a.m. (Israel Time), at the same place.

Kindly note that the Company's annual report for the fiscal year 2011 can be viewed at our website [www.shl-telemedicine.com](http://www.shl-telemedicine.com), on which you may always find updated information regarding our company.

S H L Telemedicine Ltd.