SHL Telemedicine

Half Year Report 2017

SHL Telemedicine

SHL Telemedicine Ltd.
1 January - 30 June

Letter to Shareholders

Dear Shareholders

The first half of 2017 was marked by significant changes to the Board of Directors and the leadership team of the Company. The transition process was finalized at the end of the first half of 2017 and there is an energized team in place looking to expand the business.

The results for the first half of 2017 indicate that the efforts to improve the profitability of the Company are bearing fruit with the Company returning to profitability and significantly improving its cash position. The first half of 2017 was also marked by the decision of the District Court of Tel Aviv in favor of the Company regarding the breach of the merger agreement by Shanghai Jiuchuan Investment (Group) Co. Ltd. with the Company collecting USD 3.3m during the period.

Financial results in the first half-year are to be seen on this backdrop. Revenues were USD 18.3m, similar to previous half year's revenues (before changes in revenue estimates). EBITDA is USD 5.8m, compared to an LBITDA of USD 0.2m in the first half-year of 2016. EBITDA excluding extraordinary income from the Jiuchuan case resulted in USD 2.5m. The first half of 2017 resulted in a net income of USD 2.0m versus a net loss of USD 3.8m in the first half of 2016.

In Germany, revenues were steady at USD 8.1m in local currency and in Israel, revenues were USD 10m, down 3.1% in local currency. The slight decline in Israel is mainly related to lower revenues from subscribers and a shift in revenues from institutional clients to the second half of 2017.

Israel and Germany, where SHL has uniquely positioned assets in the area of remote patient management, remain our key core markets while the smartheart™ platform provides us with a unique opportunity to grow into additional market segments including the US and China and other global opportunities leveraging our technological, clinical and operational knowhow.

On behalf of the Board of Directors and the management team, we thank all employees for their hard work and our business partners and shareholders for the trust they have placed in SHL

Sincerely,

Xuewen Wu

Xuewen Wu
Chairman of the Board

Yoav Rubinstein
CEO

SHL Telemedicine Ltd.
1 January - 30 June

Half-Year Report 2017

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The Shareholders and Board of Directors
SHL Telemedicine Ltd.

Re: Report on review of interim condensed consolidated financial statements

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of SHL Telemedicine Ltd. ("the Company") and its subsidiaries as of June 30, 2017, which comprise the interim condensed consolidated balance sheet as of June 30, 2017, and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Tel-Aviv, Israel
September 27, 2017

Kost Forer Gabbay and Kasierer

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONDENSED CONSOLIDATED BALANCE SHEETS U.S. dollars in thousands

	June 30,		December 31,
	2017	* 2016	2016
	Unaudited		Audited
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	16,632	4,200	5,889
Short-term investments	3,509	4,554	4,672
Trade receivables	4,236	5,110	9,759
Prepaid expenses	763	732	797
Inventory	2,501	2,967	2,388
Other accounts receivable	1,493	1,260	1,404
	29,134	18,823	24,909
NON-CURRENT ASSETS:			
Prepaid expenses	2,698	2,597	2,530
Long-term deposits	884	1,362	806
Deferred taxes	2,362	3,769	3,214
	5,944	7,728	6,550
PROPERTY AND EQUIPMENT, NET	5,483	7,287	5,524
GOODWILL	16,738	15,320	15,256
INTANGIBLE ASSETS, NET	10,053	15,570	10,390
Total assets	**67,352**	**64,728**	**62,629**

* Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS U.S. dollars in thousands

	June 30,		December 31,
	2017	* 2016	2016
	Unaudited		Audited
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Credit from banks and current maturities	14,603	9,799	13,925
Deferred revenues	1,462	2,035	1,476
Income taxes payable	2,663	-	2,176
Trade payables	1,485	1,527	1,135
Other accounts payable	8,402	6,024	6,980
	28,615	19,385	25,692
NON-CURRENT LIABILITIES:			
Long-term loans	8,711	11,506	9,558
Deferred revenues	251	529	458
Income taxes payable	228	-	1,433
Deferred taxes	786	886	783
Employee benefit liabilities	954	854	890
	10,930	13,775	13,122
Total liabilities	39,545	33,160	38,814
EQUITY:			
Issued capital	31	31	31
Additional paid-in capital	95,728	95,712	95,859
Treasury shares	(2,429)	(2,440)	(2,429)
Foreign currency translation reserve	(1,140)	(2,860)	(3,441)
Capital reserve for available-for sale investments and remeasurement gains on defined benefit plans	496	700	705
Accumulated deficit	(64,879)	(59,575)	(66,910)
Total equity	27,807	31,568	23,815
Total liabilities and equity	**67,352**	**64,728**	**62,629**

* Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

September 27, 2017	Xuewen Wu	
Date of approval of the financial statements	Xuewen Wu Chairman of the Board	Yoav Rubinstein CEO

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME U.S. dollars in thousands (except per share amounts)

	Six months ended June 30,		Year ended December 31,
	2017	*2016	2016
	Unaudited		Audited
Revenues	18,318	17,342	40,548
Depreciation and amortization	478	630	1,159
Cost of revenues	8,469	9,284	18,320
Gross profit	9,371	7,428	21,069
Research and development costs	1,490	1,491	3,555
Selling and marketing expenses	3,611	4,400	8,284
General and administrative expenses	4,167	4,652	10,216
Other expenses (income)	(3,308)	-	3,806
Operating income (loss)	3,411	(3,115)	(4,792)
Financial income	371	134	411
Financial expenses	(832)	(416)	(2,817)
Income (loss) before taxes on income	2,950	(3,397)	(7,198)
Taxes on income	919	364	3,898
Net income (loss)	2,031	(3,761)	(11,096)
Other comprehensive income (loss):			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gains on defined benefit plans	-	-	(1)
	-	-	(1)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Transfer to the profit or loss in respect of available-for-sale investments	(222)	37	52
Gain (loss) on available-for-sale investments	13	3	(7)
Foreign currency translation reserve	2,301	754	174
	2,092	794	219
Total other comprehensive income	**2,092**	794	**218**
Total comprehensive income (loss)	4,123	(2,967)	(10,878)
Earnings (loss) per share:			
Basic and diluted income (loss)	**0.19**	**(0.36)**	**(1.06)**

* Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

U.S. dollars in thousands

	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Capital reserve for available-for-sale investments and remeasurement gains on defined benefit plans*	Accumulated deficit	Total
Balance as of January 1, 2016 (audited)	31	95,380	(2,440)	(3,614)	660	(55,814)	34,203
Exercise of options	-	(11)	11	-	-	-	-
Share-based payments	-	490	-	-	-	-	490
Net loss	-	-	-	-	-	(11,096)	(11,096)
Total other comprehensive income	-	-	-	173	45	-	218
Balance as of December 31, 2016 (audited)	**31**	**95,859**	**(2,429)**	**(3,441)**	**705**	**(66,910)**	**23,815**
Share-based payments	-	(131)	-	-	-	-	(131)
Net income	-	-	-	-	-	2,031	2,031
Total other comprehensive income (loss)	-	-	-	2,301	(209)	-	2,092
Balance as of June 30, 2017 (unaudited)	**31**	**95,728**	**(2,429)**	**(1,140)**	**496**	**(64,879)**	**27,807**

* As of June 30, 2017 the capital reserve for available for sale investments amounts to $ 25 and the cumulative gains on defined benefit plans amounts to $ 471. As of December 31, 2016 the capital reserve for available for sale investments amounts to $ 234 and the cumulative gains on defined benefit plans amounts to $ 471.

	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Capital reserve for available-for-sale investments and remeasurement gains on defined benefit plans*	Accumulated deficit	Total
Balance as of January 1, 2016 (audited)	31	95,380	(2,440)	(3,614)	660	(55,814)	34,203
Share-based payments	-	332	-	-	-	-	332
Net loss	-	-	-	-	-	(3,761)	(3,761)
Total other comprehensive income	-	-	-	754	40	-	794
Balance as of June 30, 2016 (unaudited)[1]	31	95,712	(2,440)	(2,860)	700	(59,575)	31,568

* As of June 30, 2016 the capital reserve for available for sale investments is in the amount of $ 228 and the capital reserve on actuarial gains is in the amount of $ 472. As of December 31, 2015 the capital reserve for available for sale investments amounts to $ 188 and the cumulative gains on defined benefit plans amounts to $ 472.

1 Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Six months ended June 30,		Year ended December 31,
	2017	* 2016	2016
	Unaudited		Audited
Cash flows from operating activities:			
Net income (loss)	2,031	(3,761)	(11,096)
Adjustments required to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Income and expenses not involving operating cash flows:			
Depreciation and amortization	2,388	2,930	5,792
Capital loss (gain) from sale of property and equipment	(6)	-	27
Impairment of property, plant and equipment	-	-	907
Impairment of intangible assets	-	-	3,462
Change in employee benefit liabilities, net	(21)	66	113
Financial expenses, net	461	282	2,406
Cost of share-based payments	(131)	332	490
Taxes on income	919	364	3,898
	3,610	3,974	17,095
Changes in operating assets and liabilities:			
Decrease (increase) in trade receivables, net	6,344	1,782	(3,208)
Decrease (increase) in inventory	130	(162)	270
Decrease (increase) in prepaid expenses	189	(55)	(51)
Decrease (increase) in other accounts receivable	28	(11)	(160)
Increase (decrease) in trade payables	146	(552)	(99)
Increase (decrease) in deferred revenues	(371)	164	(380)
Increase (decrease) in other accounts payable	1,158	(1,114)	(828)
	7,624	52	(4,456)
Cash paid and received:			
Interest received	3	71	72
Interest paid	(400)	(320)	(601)
Income taxes received	153	-	43
Income taxes paid	(1,099)	(276)	(1,486)
	(1,343)	(525)	(1,972)
Net cash provided by (used in) operating activities	**11,922**	**(260)**	**(429)**

* Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Six months ended June 30,		Year ended December 31,
	2017	* 2016	2016
	Unaudited		Audited
Cash flows from investing activities:			
Purchase of property and equipment	(152)	(378)	(622)
Investment in intangible assets	(216)	(585)	(1,192)
Long-term deposit	-	-	540
Proceeds from sale of property and equipment	9	-	5
Purchase of short-term investments	(612)	(518)	(1,078)
Proceeds from sale of short-term investments	1,863	584	1,022
Net cash provided by (used in) investing activities	**892**	**(897)**	**(1,325)**
Cash flows from financing activities:			
Short term bank credit, net	-	(4,790)	-
Proceeds from long-term loans	-	7,808	7,746
Payment of long-term loans	(2,351)	(1,706)	(3,960)
Net cash provided by (used in) financing activities	**(2,351)**	**1,312**	**3,786**
Effect of exchange rate changes on cash and cash equivalents	280	40	(148)
Increase in cash and cash equivalents	10,743	195	1,884
Cash and cash equivalents at the beginning of the period	5,889	4,005	4,005
Cash and cash equivalents at the end of the period	**16,632**	**4,200**	**5,889**

* Restated, see Note 2c.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 1 | GENERAL

a. These consolidated financial statements have been prepared in a condensed format as of June 30, 2017 and for the six months then ended. These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and accompanying notes of SHL Telemedicine Ltd. ("the Company") as of December 31, 2016 and for the year then ended ("the annual financial statements").

b. Following are data regarding the Israeli CPI and the exchange rates of the Euro, U.S. dollar and the Swiss Franc in relation to the new Israeli Shekel (NIS):

	Israeli	Exchange rate		
	CPI	€ 1	U.S. $ 1	CHF 1
For the period ended	Points	NIS		
June 30, 2017	220.7	3.99	3.49	3.65
June 30, 2016	221.1	4.28	3.85	3.94
December 31, 2016	220.7	4.04	3.85	3.77
Change during the period	%	%	%	%
June 2017 (6 months)	0.2	(1.4)	(9)	(3.2)
June 2016 (6 months)	0.5	0.8	(1.3)	0.4
December 2016 (12 months)	0.3	(4.9)	(1.3)	(3.9)

NOTE 2 | SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the interim condensed consolidated financial statements:

The interim condensed consolidated financial statements for the six months ended June 30, 2017 have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim periods, as prescribed in IAS 34, "Interim Financial Reporting.

The significant accounting policies and methods of computation adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements.

b. Revenues:

The revenues is composed of the following:

	Six months ended June 30,		Year ended December 31,
	2017	2016	2016
	Unaudited		Audited
Revenues for services performed during the period	17,505	17,831	34,831
Revenues from sale of devices	416	451	775
Change in revenues estimate	397	(940)	4,942
Total	18,318	17,342	40,548

Certain service contracts include remuneration, in part or in whole, based on the level of health cost savings to the customer ("performance-based" contracts). Until the end of 2015 the performance-based revenues from such contracts were recognized as the services were provided based on the Group's past experience with similar types of services. Changes in the estimated amounts to be received were recognized as an adjustment of revenues in the period in which additional evidence as to expected cost savings was obtained. Such changes were recorded until the cost savings were finalized with the customer.

Commencing in 2016, due to the significant variability of the various factors that can affect the level of cost savings and the resulting difficulty in measuring such cost savings reliably, the Company recognizes revenues from performance-based contracts only after receiving final data as to the actual cost savings.

c. Restatement:

Correction of errors:

1. In connection with the renewal of a contract with a customer, which renewal was effective from mid-2015, the Company committed to participate in certain costs of the customer in the amount of $ 789. This expense was not included in the annual 2015 financial statements. After further analysis, the Company has determined that this amount should have been accrued and recorded as an expense in 2015.

2. In 2016 the Company discovered a technical error in the recording of telemedicine devices in its detailed schedule of property and equipment resulting in a reduction of property and equipment of $ 3,290 and $ 3,167 as of January 1, 2015 and December 31, 2015, respectively.

3. The Company discovered an error in the calculation in 2015 of the cost of a certain component of inventory resulting in a reduction of $502 in the carrying amount of inventory as of December 31, 2015. The Company also discovered an error in the calculation of the amortization of certain intangible assets resulting in a reduction of intangible assets of $ 83 and $ 125 as of January 1, 2015, and December 31, 2015, respectively.

4. As of June 30, 2016, the Company was in breach of a "change in control" covenant in respect of a loan, which allows the lender to demand immediate repayment of the loan - see Note 14 in the annual financial statement. Accordingly, the contractual long-term portion of that loan in the amount of $ 3,089 as of June 30, 2016, is presented in current liabilities.

d. Change in accounting policy:

In 2016 the Group has re-assessed its accounting policy for prepaid expenses with respect to the nature of the expenses that should be deferred and recognized as an asset. The Group had previously deferred all compensation to sales employees directly involved in obtaining subscription sales contracts if the Group expected to recover those expenses from the subscription revenues. In 2016, the new management elected to change its accounting policy such that only the portion of sales compensation expenses that is incremental in obtaining subscription sales contracts is deferred. Management believes that this change in policy better reflects recent development in accounting guidance.
The Group has applied the change in accounting policy retrospectively to the comparative data for 2016 in these financial statements.

The above items have been corrected by restating each of the affected financial statement line items for the prior year, comparative data as of June 30, 2016, and for the six months then ended as follows:

Consolidated statement of financial position:

	As previously reported	Correction of errors	Change in accounting policy	As presented in these financial statements
	U.S. dollars in thousands			
As of June 30, 2016:				
Prepaid expenses – short-term	1,323	-	(591)	732
Inventory	3,469	(502)	-	2,967
Prepaid expenses – long-term	5,920	-	(3,323)	2,597
Property and equipment	10,018	(2,731)	-	7,287
Intangible assets	15,695	(125)	-	15,570
Credit from banks and current maturities	6,710	3,089	-	9,799
Other account payables	5,466	558	-	6,024
Long term loans	14,595	(3,089)	-	11,506
Foreign currency translation reserve	(3,262)	441	(39)	(2,860)
Accumulated deficit	(51,343)	(4,357)	(3,875)	(59,575)
Total equity	39,398	(3,916)	(3,914)	31,568

Consolidated statement of comprehensive income:

	As previously reported	Correction of errors	Change in accounting policy	As presented in these financial statements
	U.S. dollars in thousands			
Six months ended June 30, 2016:				
Depreciation and amortization	1,087	(457)	-	630
Gross profit	6,971	457	-	7,428
Selling and marketing expenses	4,577	(279)	102	4,400
Operating loss	(3,749)	736	(102)	(3,115)
Loss before taxes on income	(4,031)	736	(102)	(3,397)
Net loss	(4,395)	736	(102)	(3,761)
Foreign currency translation reserve	824	(31)	(39)	754
Total other comprehensive loss	864	(31)	(39)	794
Total comprehensive loss	(3,531)	705	(141)	(2,967)
Earnings per share:				
Basic and diluted loss	(0.42)	0.07	(0.01)	(0.36)

NOTE 3 | TRANSACTIONS AND MATERIAL EVENTS DURING THE REPORTING PERIOD

a. In March 2017, the Company reached an agreement with an Israeli financial institution to obtain a long-term loan in the amount of NIS 100 million (approx. $ 27,000), NIS 21 million of which was intended to repay an existing facility with the same lender. As of the date of the approval of the financial statements, the closing of the loan agreement has not yet occurred. Due to the improvement in the Company's cash balance resulting from revenues of $ 5,800 from the Chronic Patient Monitoring Program in Germany received in May 2017 and the receipt of $ 3,308 in June 2017 from the funds held by the escrow agent in Israel under the merger agreement with Shanghai Jiuchuan Investment (Group) Co. Ltd., as detailed in b below, the Company is re-examining its requirements and renegotiating the financing terms with the said lender and other lenders which better serve the Company's cash needs.

b. In June 2017, the District Court of Tel Aviv ruled in favor of the Company with regards to its claim against Shanghai Jiuchuan Investment (Group) Co. Ltd. in connection with the merger agreement terminated on December 1, 2015 - see Note 23g(5) in the annual financial statements. In its decision, the court ruled that the complete pre-agreed compensation for breach of contract in the amount of NIS 43.87 million, representing 10% of the merger consideration, shall be paid to the Company along with interest, legal fees and other expenses. The court ordered that the related funds in escrow in Israel in the amount of $ 3,308, will be paid to the Company within seven days and deducted from the total amount awarded. This amount was received by the Company in June 2017 and recorded in other income in profit or loss.
The Company is examining possibilities for collecting the balance awarded, but presently cannot estimate the probability of successful collection. Accordingly, due to the uncertainty, the balance of the award due to the Company has not been recorded in the financial statements as of June 30, 2017.

c. On January 5, 2017, the Board of Directors approved the grant of 18,000 options to a director, under the 2015 Executive and Key Employee Israeli Share Option Plan. The options shall vest over a period of 3 years from the date of appointment (33% On February 24, 2017, and 8.33% each quarter thereafter). The weighted average fair value of options granted is CHF 2.077 ($ 2.037). The weighted average fair value was estimated based on the binomial model using the following data and assumptions: share price - CHF 6.88; exercise price – CHF 6.73; expected volatility - 46.76%; risk free interest rate - 0%; expected dividend -0%; and expected average life of options - 2.44 years.

d. Changes in the Company's management:

In January 2017, the Company's Board of Directors approved the resignation of Yuval Shaked as the Company's Chief Executive Officer.

In March 2017, the Company's Board of Directors approved the resignation of Ehud Ben Yair as the Company's Chief Financial Officer.

Due to the above resignations, 395,869 options granted to those officers that had not yet vested were forfeited, and the Company recorded a reversal of expense of $ 210 in the six months ended June 30, 2017.

In June 2017, the Company's Board of Directors approved the appointment of Yoav Rubinstein as the Company's Chief Executive Officer, and the appointment of Yossi Vadnagra as the Company's Chief Financial Officer.

NOTE 4 | SEGMENT INFORMATION

As presented in the annual financial statements, the Group operates in three geographic segments: Israel, Europe (principally Germany) and Rest of world. Revenues are allocated based on the location of the end customer.

a. Segment revenues:

	Six months ended June 30,		Year ended December 31,
	2017	2016	2016
	Unaudited		Audited
Sales to external customers:			
Europe	8,097	7,317	20,747
Israel	10,042	9,944	19,609
Others	179	81	192
Total revenues in financial statements	18,318	17,342	40,548

b. Segment profit (loss):

	Six months ended June 30,		Year ended December 31,
	2017	2016	2016
	Unaudited		Audited
Europe	169	(2,351)	(731)
Israel	2,170	1,416	2,785
Others	(510)	(751)	(1,153)
	1,829	(1,686)	901
Corporate and R&D Expenses	(1,726)	(1,429)	(5,693)
Other income	3,308	-	-
Operating income (loss)	3,411	(3,115)	(4,792)
Financial expenses, net	(461)	(282)	(2,406)
Income (loss) before taxes on income	2,950	(3,397)	(7,198)

NOTE 6 | SUBSEQUENT EVENTS

On August 6, 2017, the Board of Directors approved the grant of 176,841 options to directors and senior managers, under the 2015 Executive and Key Employee Israeli Share Option Plan. The vesting terms of the options are as follows:

		Weighted average fair value		
Quantity	Vesting terms	CHF	USD	Expected average life
36,000	33% on June 28, 2018, and 8.33% each quarter thereafter	2.31	2.40	3.22 years
140,841	25% on August 6, 2018, and 8.33% each quarter thereafter	2.36	2.46	3.40 years

The weighted average fair value was estimated based on the binomial model using the following data and assumptions: share price - CHF 7.20; exercise price – CHF 7.04; expected volatility - 44.36%; risk free interest rate - 0%; and expected dividend -0%.

Information For Investors

Capital structure

The issued share capital is divided into 10,491,213 registered shares with a par value of NIS 0.01 each (excluding 387,278 ordinary shares of NIS 0.01 par value each held by SHL).

Significant shareholders'

As of June 30, 2017, SHL was aware of the following shareholders with more than 3% of all voting rights in the company.

	Number of Ordinary Shares Held	% Including Treasury Shares	% Excluding Treasury Shares
Cai Mengke	3,247,075	29.85%	30.95%
Alroy Group	2,507,608	23.05%	23.90%
G.Z. Assets and Management Ltd.	921,533	8.47%	8.78%
Himalaya Asset Management Limited	2,181,016	20.05%	20.79%
SHL Treasury shares	387,278	3.56%	-

The above table of Significant Shareholders reflects both actual holdings as of June 30, 2017, after deducting from the total number of shares outstanding 387,278 Ordinary Shares held by SHL, and actual holding as of June 30, 2017 calculated including ordinary shares held by SHL, all as indicated above, but does not reflect holding on a fully diluted basis. All in accordance with notifications received by the Company from shareholders and the SAG registrar as of June 30, 2017.

Statistics on SHL Telemedicine as at June 30, 2017

Registered shares with a par value of NIS 0.01 each

Securities number	1128957
Number of shares*	10,491,213
Market price high/low (CHF)	7.49/6.31
Market capitalization high/low (CHF million)	78.6/66.2
Market capitalization 30/06/17 (CHF million)	73.6
Share capital – nominal value (NIS)	104,912

* Excluding 387,278 ordinary shares held by SHL.

Share price development

Listing

All SHL shares are listed on SIX Swiss Exchange

Ticker symbol:	SHLTN
Currency:	CHF
Listing date:	November 15, 2000

Investor relations

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