

SHL Telemedicine

2017 Results

27 March 2018



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Agenda

- Financial Highlights and Summary
- Business Update
- Appendix

2017 Financial Highlights

- **After a couple of years of losses the company is back to profitability with a net profit result of \$ 2.4 m**
- **Company moves from cash burning to generating cash with a positive free cash flow of \$ 10.5 m (\$ 1.3 m excluding bonus income and extraordinary income)**
- Revenues for the year are up from 3.9% to \$ 37 m - stable in constant currency :
 - Slight revenue decline in Israel (2%) due to decrease subscribers base and institutional patients in the chronic disease monitoring programs
 - Stable income in Germany operations (Y2Y excluding bonus incomes)
 - Bonus income in Germany from PBC customer in the amount of \$ 0.4 m
- Continued streamlining of businesses and efficiency improvements expands the gross margin to 51.9% (compared to 46.4% in 2016) excluding revenue adjustments.
- Positive EBITDA of \$ 8.6 m
- Cash reserves remain stable after repayment of loans and interest of \$ 12.2 m

2017 Financial Summary

USD million

	As reported			Constant Currency*		
	2017	2016	% change	2017	2016	% change
Revenues	37.4	40.5	(7.7%)	35.7	40.5	(11.9%)
Germany	16.7	20.7	(19.3)	16.3	20.7	(21.3)
Israel	20.5	19.6	4.6%	19.2	19.6	(2.0%)
ROW	0.2	0.2	-	0.2	0.2	-
EBIT (LBIT)	4.1	(4.8)	<i>n.a.</i>	3.9	(4.8)	<i>n.a.</i>
% of revenues	11%	<i>n.a.</i>		11%	<i>n.a.</i>	
Net profit (loss)	2.4	(11.1)	<i>n.a.</i>	2.3	(11.1)	<i>n.a.</i>
% of revenues	6.4%	<i>n.a.</i>		6.4%	<i>n.a.</i>	
EBITDA	8.6	1.0	760%	8.4	1.0	740%
% of revenues	23%	2.5%		23.5%	2.5%	
EPS (LPS)	0.23	(1.06)	<i>n.a.</i>	0.22	(1.06)	<i>n.a.</i>

*Presenting figures in constant currency gives more meaningful comparison between the periods due to fluctuations in NIS/USD/EUR exchange rates.

31.12.2017 Balance Sheet

USD Million

Current assets	27.8	Current liabilities	32.9
Non current assets	6.4	Non current liabilities	3.3
Fixed assets	4.9	Equity	29.2
Goodwill	17.0		
Intangible assets	9.3		
	65.4		65.4

2017 Cash Flow Summary

USD million	2017	2016	Diff.
Cash received from (used in) operating activities	12.0	(0.4)	12.4
Cash used in investing activities (ex. marketable securities)	(1.5)	(1.4)	(0.1)
Cash received (used) in financing activities	(11.3)*	3.8**	(15.1)
Effect of exchange rate changes	0.7	(0.1)	0.8
Increase (decrease) in cash, cash equivalents & marketable securities	(0.1)	1.9	(2.0)
Cash, cash equivalents & marketable securities at beginning of period	10.5	8.6	1.9
Cash, cash equivalents & marketable securities at end of period	10.4	10.5	(0.1)
Free Cash Flow	10.5	(1.8)	12.3

*Early repayment of loan in Germany (EUR 6.1) + current loan repayments in Israel

**Loan in Germany net of repayments in Germany and Israel

Business Update



- Strategic priorities:

- Continuing to develop our existing platforms in Germany and Israel
- Introducing new programs and technologies to enhance customer value add and attract new customers
- Growing the smartheart™ business globally
- Maintaining a streamlined organization

Investor Information

- 10,878,491 registered shares with a par value of NIS 0.01 each
- Listed at SIX Swiss Exchange in CHF; Symbol: SHLTN, No. 1128957
- Price high/low (CHF) 7.93/6.25
- Market cap high/low (CHF m) 83.2/65.6
- Market cap 30.12.17 (CHF m) 66.2
- No voting restrictions



Yoav Rubinstein, CEO
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Yoav Rubinstein joined SHL in March 2012 as Senior Vice President, Head of Global Business Development and was appointed CEO in June 2017. Before joining SHL, Mr. Rubinstein worked in the private equity industry, for 9.5 years as a Principal for Apax Partners and then as a Senior Advisor to Saban Capital Group. Mr. Rubinstein holds a BA in Business Administration from the Interdisciplinary Center, Israel.



Yossi Vadnagra, CFO
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Yossi joined SHL in February 2017 as Director of Business Development in Israel and has been appointed CFO in June 2017. Over 18 years of experience in international markets with Blue Chip companies as CFO in the Healthcare, Retail, and Engineering sectors. He is a CPA (Israel) with an MBA in Finance.

Thank you

