



Press release

Ad hoc announcement pursuant to Art. 53 LR

SHL announces half-year results 2022 – continued progress on all strategic fronts

Tel Aviv / Zurich, 22 September 2022 – SHL Telemedicine Ltd. (SIX Swiss Exchange: SHLTN) (“SHL” or the “Company”), a leading provider and developer of advanced personal telemedicine solutions, announced today the results for half-year 2022.

The first half of 2022 is marked by good momentum and investment of the Company in the new growth engines, leading to a ramping up of the customers’ pipeline mainly in the German and US markets that are already starting to materialize. The Company strengthened its leadership, nominating Mr. Ehud Barak (former Prime Minister of Israel) as Co-Chairman and leading partner of the Company for global growth.

Half-year 2022 financial highlights

- Total revenues in 1HY2022 increased by 53%, to USD 30.9m, compared to USD 20.2m in the first half of 2021 in constant currency¹.
- In Israel, revenues almost doubled to USD 23.0m, up about 97% compared to USD 11.7m in the first half of 2021, in constant currency¹, following consolidation of Mediton numbers for the period.
- In Germany, revenues were USD 7.1m, a decrease of about 14% compared to USD 8.4m in the first half 2021 in constant currency¹.
- Adjusted EBITDA² for the period was USD 3.5m, up about 30% compared to USD 2.7m in the first half of 2021 in constant currency¹, mainly related to consolidation of Mediton numbers for the period.
- Net profit for the period was USD 0.1m³, compared to a net loss of USD 10.3m in the first half of 2021 in constant currency¹.
- Operating cash flow in the first half of 2022 was USD 2.0m, compared to negative operating cash flow of USD 0.7m in the first half of 2021.
- Cash reserves as of June 30 2022 are USD 25.1m, a decrease of USD 6.9m compared to December 31 2021, mainly due to investments in the US operation, increase in inventories to address anticipated demand for the Company’s products, investment in R&D and negative exchange rates between the US dollar and Israeli New Shekel.

¹ Constant currency – to enable meaningful comparison between 1HY2022 and 1HY2021 results, 1HY2021 results are also presented at 1HY2022 constant currency exchange rates. The 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 Adjusted EBITDA: EBITDA excluding stock base compensation expenses and extraordinary expenses.

³ Mainly due to extraordinary non-cash financial income of USD 1.7m, and financial expenses of USD 8.6m in the first half of 2021 mainly related to changes in the fair value of the options issued to investors in the capital increases in the first half of 2021.



- SHL's management updates its expectations for revenues growth in 2022 from 30% to 20%, following delay in German operation growth.
- Nasdaq listing process is in advanced stage.

Developments in our active markets

In Germany, the Company won a pan-European tender by BARMER, that was issued in May 2022, for a large seven year contract for Doctors' Virtual Visit and Telehealth services. The Company will continue and provide Doctors' Virtual Visits and Telehealth services to all BARMER insureds Germany-wide, with a clear path of growth of this activity that was delayed in 2022 due to the tender process.

Earlier in the period, the Company entered an agreement with the German Society of Cardiologists in Private Practice – BNK (Bundesverband Niedergelassener Kardiologen e.V.), according to which all Cardiologists' members of BNK will have access to SHL's monitoring platform and services for their chronic heart failure patients.

The Company expects additional new collaborations and contracts in the fields of Doctors' Virtual Visits and Telehealth services, potentially still during 2022.

In Israel, the Mediton Group integration process is advancing well, and the Israeli operation continued to contribute profitability to the Company. The Company expects that the synergies from this acquisition will even double its annual revenues in Israel to the range of USD 57m-USD 62m within 3 years.

In the US, the company appointed Mr. Jason Bottiglieri, a highly experienced healthcare executive, as General Manager of SHL Telemedicine USA, and it continues to bolster its US Advisory Board as the growth of its SmartHeart® solution accelerates.

The Company started to see a ramping up of customers' pipeline and revenues, with revenues already almost doubling compared to FY 2021. During the period the Company expanded and increased activity in existing as well as new channels. Entering additional agreements for use of the SmartHeart® Platform in the skilled nursing and post-acute facilities field, expanding the use of SmartHeart® to clinical trials with CVS Health – Clinical Trial Services, and launching the marketing and distribution of SmartHeart® with Henry Schein to its US healthcare customers. All of which expand and increase the use cases for the SmartHeart® Platform.

Erez Nachtomy, CEO of SHL, said: "There is a growing global shortage in trained and experienced medical workforce, leading to increased need and demand for telemedicine services and for technology that can be used and operated remotely as well as by unskilled staff or by the patients themselves. Our telemedicine technology and services, and the SmartHeart® platform are well-suited to address these growing needs. Now, more than ever, we expect to see growth in the use of our telemedicine technology and services and SmartHeart®."

Key figures (as reported):

in USD million (except per share amounts)	1HY2022	1HY2021	% change
Revenues for the period	30.9	21.0	47%
Revenues			
Revenues			
• Germany	7.1	9.2	(22%)
• Israel	23.0	11.7	97%
• Rest of the World	0.8	0.1	
EBIT / (LBIT)	(1.0)	(0.1)	n.a
EBITDA*	2.4	2.1	13%
Net profit (loss)	0.1	(10.3)	n.a
EPS (Basic loss)	(0.00)	(0.75)	n.a
Operating cash flow	2.0	(0.7)	n.a

Adjusted key figures (in constant currency¹):

in USD million	1HY2022	1HY2021	% change
Revenues	30.9	20.2	53%
Revenues			
• Germany	7.1	8.4	(14%)
• Israel	23.0	11.7	97%
• Rest of the World	0.8	0.1	
Adjusted EBIT**	0.0	0.5	n.a
Adjusted EBITDA ***	3.5	2.7	30%

* EBITDA: operating profit excluding depreciation and amortization expenses of USD 3.4m, and USD 2.1m in the comparable period.

**Adjusted EBIT: operating profit excluding stock base compensation expenses of USD 1.0m and extraordinary expenses of USD 0.1m. In the first half of 2021, stock base compensation expenses was USD 0.5m and extraordinary expenses was USD 0.1m.

***Adjusted EBITDA: EBITDA excluding stock base compensation expenses and extraordinary expenses.

The Half Year Report 2022 is available on: www.shl-telemedicine.com/reports

Conference Call at 3 pm CET

The Company will host a conference call for investors, journalists and analysts to discuss the half-year results 2022 today at 3 pm CET. The conference call is hosted by Erez Nachtomly, CEO, and Amir Hai, CFO and is held in English.

Time: 3 pm CET, 4 pm IDT

Dial-in numbers:

From Europe: +41 (0)58 310 50 00

From UK: +44 (0) 207 107 06 13

From USA: +1 (1) 631 570 56 13

From Israel: Toll free: 1 80 921 44 27 / Local: +972 3763 1173



The conference call is scheduled to last approximately 45 minutes. The presentation is available on: www.shl-telemedicine.com/reports

Financial calendar

22 December 2022 Annual General Meeting, Tel Aviv, Israel

For further information please contact:

Fabienne Farner, IRF, Phone: +41 43 244 81 42, farner@irf-reputation.ch

About SHL Telemedicine

SHL Telemedicine is engaged in developing and marketing personal telemedicine systems and the provision of medical call center 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 our 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.