

SHL Telemedicine

FY Results 2022 Presentation



Forward looking statements

This presentation was prepared for the purpose of providing and presenting information in a summary only and cannot replace a review of the reports of SHL Telemedicine (hereinafter: "the Company"). Many of the statements included in this presentation, as well as oral statements that may be made by us or by officers, directors or employees acting on behalf of us, contain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, specifically Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, are forward-looking statements. Readers are cautioned that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from historical results or any future results expressed or implied by forward-looking statements. Factors that can cause actual results to differ from expectations and those contained in forward-looking statements include those risks described in Item 3.D. "Key Information—Risk Factors" contained in the Company's Registration Statement on Form 20-F or most recent Annual Report on Form 20-F filed with the U.S. Securities Exchange Commission (the "SEC") and in its subsequent filings and submissions with the SEC, including, but not limited to, the Company's ability to operate and comply with the complex and evolving regulations in the highly regulated healthcare industry; continued development, consumer acceptance and market adoption in the relatively new, unproven and volatile and rapidly changing telehealth market; the Company's ability to develop and introduce new products and solutions and enhancements to existing ones; the significant and increasing levels of competition in the telemedicine market; the impacts of COVID-19 and future pandemics and epidemics; the Company's ability to continue to attract and retain key employees and personal in the highly competitive healthcare industry; the loss or breach of the Company's proprietary rights and data security and privacy risks; political, judicial, legal, economic and military conditions in Israel and the surrounding region; global economic and financial market conditions and the Company's ability to adapt to and comply with the different business and market factors, conditions, requirements and laws and regulations in the various countries in which the Company operates internationally; currency fluctuations; labor disputes; the Company's ability to manage growth and integrate acquired businesses and expanding operations; the Company's ability to obtain adequate levels of insurance to cover potential losses; the Company's dependence on key suppliers and sub-contractors and other third parties; and other matters and risks not yet known to the Company or not currently considered material by it. You should not place undue reliance on these forward-looking statements. All written and oral forward-looking statements, attributable to the Company, or persons acting on its behalf, are qualified in their entirety by these cautionary statements.

For the avoidance of doubt, it is clarified that the company does not undertake to update the information, in whole or in part, contained in this presentation, whether as a result of new information, a future event or for other reasons, except as required by law. It is also clarified that the company's plans and strategy contained in this presentation are correct at the time of their publication and can and will change in accordance with the decisions of the company's board of directors, as they will be from time to time, and/or due to their being dependent, in whole or in part, on third parties that are not under the control of the company as well as on additional risk factors to which the company is exposed.

This presentation contains trade names, trademarks and service marks of other companies. The trade names, trademarks, and service marks of other parties are not used or displayed to imply a relationship with, or endorsement or sponsorship of, those other parties.

SHL Telemedicine at a glance



Telemedicine centers in Israel
and Germany
Significant strategic partners
in the US market



3M

interactions and data
readings per year



24/7 telehealth
monitoring
global service capabilities

Listed on

Nasdaq: SHLT

Swiss Stock Exchange:
SHLTN

27% increase
in 2022
revenues^(*)



30

Years of knowledge

SHL is a leading provider and
developer of advanced telehealth
technology and services with
unmatched 30 years of medical &
ECG data-base

^(*) compared to 2021 in constant currency. Please see Supplemental Information at end of presentation for a description of the basis of presentation of the constant currency amount calculations as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Senior management



Yariv Alroy
Co-Chairman



Ehud Barak
Co-Chairman
Former Prime Minister of Israel



Erez Nachtomy
CEO



Amir Hai
CFO



Yossi Vadnagra
General Manager
SHL Israel



Linus Drop
Managing Director
SHL Germany

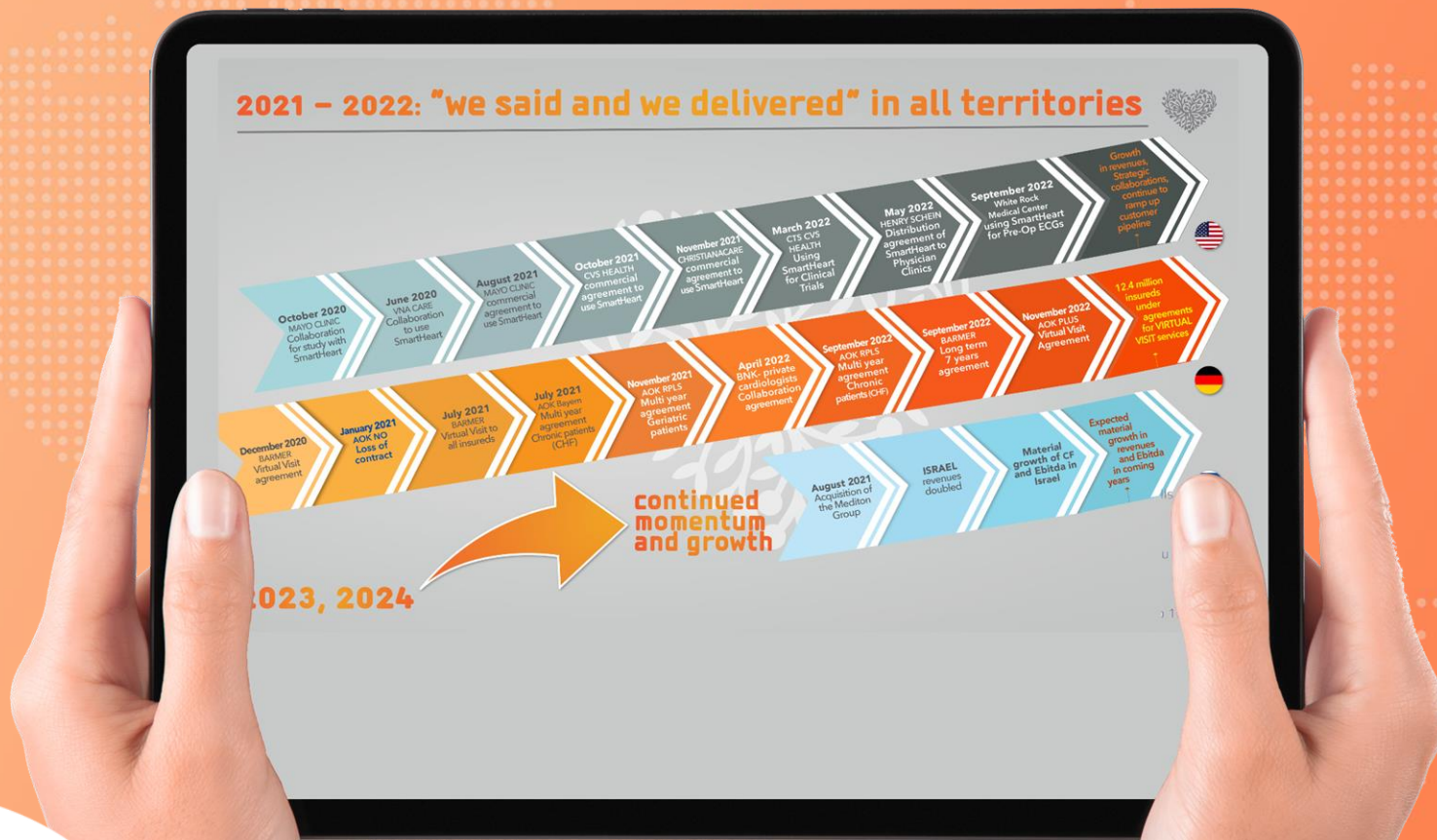


Bernd Altpeter
Managing Director
SHL Germany



Jason Bottiglieri
General Manager SHL
Telemedicine USA

2021-2022: "we said and we delivered" in all territories



2022 overview – Financial data^(*)

REVENUES

\$59m

▲ 27%

**Adjusted
EBITDA^(**)**

\$4.1m

▼ 35%

**CASH
On Hand**

Currently
~\$30m

**Operational
Cash Flow**

**Break Even
level**

Same as 2021

**R&D
Gross Expenses**

\$7.2m

**CASH
On HAND
\$18.7m**

31 December 2022

(*) compared to 2021 in constant currency. Please see Supplemental Information at end of presentation for a description of the basis of presentation of the constant currency amount calculations as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures
(**) Please see Supplemental Information at end of presentation for a reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Germany – Telemedicine becoming Standard of care



Population of 82 million insureds Four largest Health Insurance each serve 5-10 million insureds



Revenues down due to loss of significant chronic contract to Philips in 2021, and delay in implementing new material contracts



With the supporting regulation, substantial part of the market expected to transfer to telemedicine



Remote medical services such as: Virtual Visit and treatment of chronic patients, are becoming the Standard of Care

REVENUES
\$13.4m
▼ 16%

Adjusted EBITDA(*)
Break even



<https://www.bundesgesundheitsministerium.de/digital-healthcare-act.html>

(*) Please see Supplemental Information at end of presentation for a reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Germany – Back to growth



SHL is the market leader in Germany and operates in a B2B model - managing and stabilizing chronic patients and saving costs for health insurers



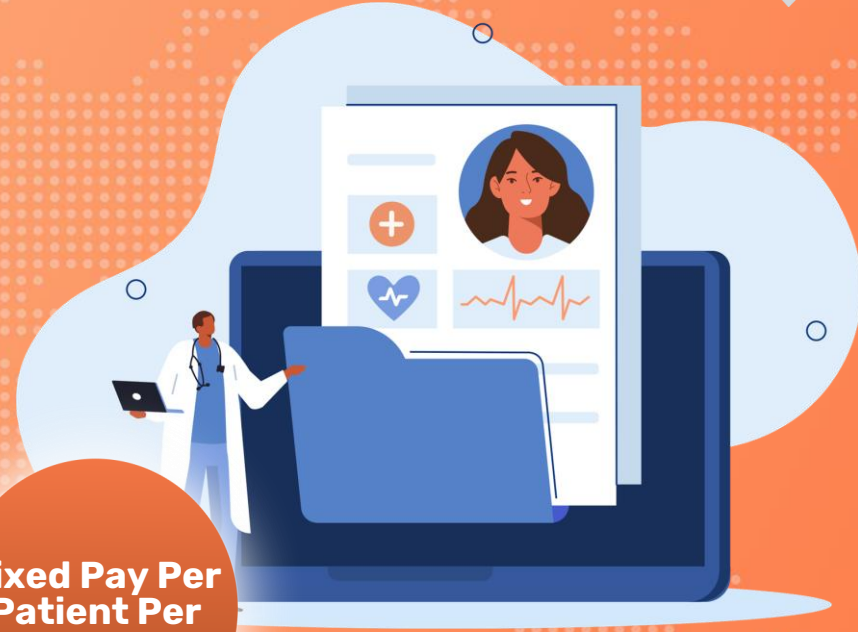
The company has agreements with leading health insurers, covering about 30% of the German health insurance market (about 25 million insured)



Monitoring activity of Chronic Patients

- ♥ **Expansion for additional diseases and additional health funds**
- ♥ **Cooperation with BNK - the German association of cardiologists in private practice across Germany**

Fixed Pay Per Patient Per Period



Germany – Virtual Visit service: Penetrating a market of about 800 million annual physical doctor visits



In Germany - an average of 10 physical visits per person to a doctor each year (*)



Won a pan-European tender published by BARMER in summer of 2022 for the virtual visit service - a new 7-year contract. Commercial service started April 2023



The virtual visit service is already available to 12.4 million BARMER and AOK PLUS insureds throughout Germany



Successfully fending major players like Teladoc, and a path for growth of this activity, including with additional health insurances



(*) <https://www.statista.com/statistics/-launna/236512/1991-ecnis-ynamreg-ni-atipac-rep-stisiv-rotcod>

USA - Penetration through unique technology



Thousands of SmartHeart units already in use



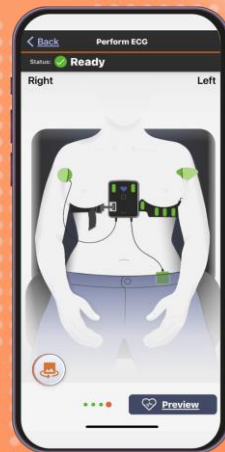
A unique personal full 12 Lead ECG, FDA cleared, in hospital quality (12 Lead is the Gold Standard) within 30 seconds, without the assistance of a medical professional. From anywhere in the world, at any time



Patented technology. SmartHeart is a registered Trademark

**REVENUES
\$0.5m**

**Adjusted
EBITDA^(*)
\$(3.0)m**



**Cloud based
ECG repository**



24/7

**ecg review
center**



**Provider
portal**



**USA
cardiologist
network**



USA - faster progress than planned



**Appointed CEO for SHL USA
with increased activity in all
channels**



**Increase in uses of the
SmartHeart platform**



smartheart
**Already FDA cleared
510(k) process for OTC clearance**

Example for Channels and Segments

Health Systems & Hospitals

Retail Clinics, Walk-in Care

Decentralized Clinical Trials

Post Acute / Skilled Nursing Facilities

Medical Device Distributors

Primary Care Practices (PCPs)

Home Health



♥ **CVS**Health®

♥ **minute clinic**™

 **HENRY SCHEIN**®

 **ChristianaCare**™

Israel – High contribution to the company's profitability and cash flow



Revenues
\$45.1m

▲ 51%

**Adjusted
EBITDA^(*)**
\$12.6m
▲ 25%

B2C model

about **\$40**
Average monthly fees

About **50,000**
Subscribers on service

6 years – average
subscription length

sale of cardiac monitoring
services to consumers:
personal 12 Lead ECG devices
for transmission of remote
medical data, 24/7 telemedicine
center, Mobile Intensive Care
Units in coverage areas

B2B model: over 100 institutional customers
Mediton Group is a leading B2B healthcare services provider
in Israel to the largest and leading companies in Israel,
government institutions, the Ministry of Defense, National
Insurance, health funds and insurance companies

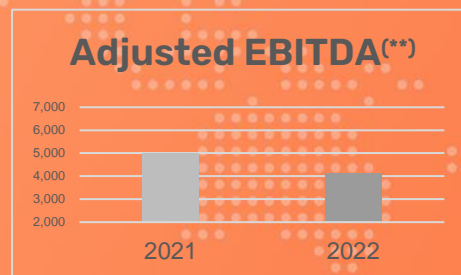
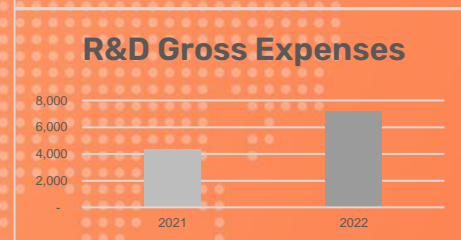
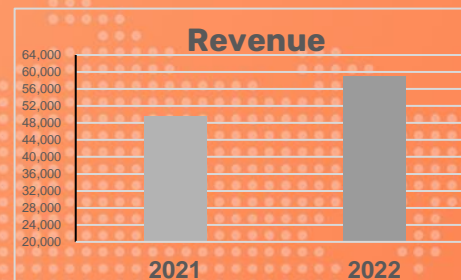
(*) Please see Supplemental Information at end of presentation for a reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Financials – P&L (in million)

In USD million

(except per share amount)

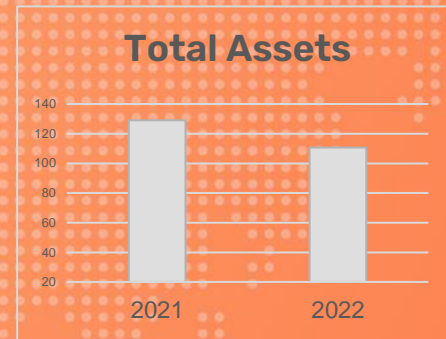
	<i>FY 2022</i>	<i>FY 2021cc*</i>
Revenue for the period	59.0	46.4
Revenue by territories		
Germany	13.4	16.0
Israel	45.1	30.0
Others	0.5	0.4
Adjusted EBIT(**)	(3.0)	1.4
Adjusted EBITDA(**)	4.1	6.4
Net Income (loss)	0.2	(13.3)
EPS (Basic) attribute to equity holders	(0.01)	(1.00)



(*) compared to 2021 in constant currency. Please see Supplemental Information at end of presentation for a description of the basis of presentation of the constant currency amount calculations as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures
 (**) Please see Supplemental Information at end of presentation for a reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Financials – Balance Sheet and Cash Flow (in millions)

<i>In USD million</i>	<i>FY 2022</i>	<i>FY2021</i>
Cash and cash equivalents(*)	4.5	14.8
Short term bank investments	14.2	17.2
Total cash and short-term investments	18.7	32.0
Short term bank debt	2.2	1.8
Long term bank debts	13.0	17.2
Total debts	15.2	19.0
Capital and reserves	128.7	129.9
Accumulated deficit	(73.0)	(73.0)
Total Equity	55.7	56.9
Increase (Decrease) in cash and short-term investments	(13.3)	21.4
Operational cash flow	(0.1)	0.2



2021-2022: "we said and we delivered" in all territories



2023 – expected events



**constant increase in the use
of Virtual Visits**



**Agreements with additional
health funds for Virtual Visit
services**



**Publication of results
study for use of**
 **smartheart**

**Continued implementation
of smartheart**
B2B model – Tier 1 customers
 **CVS Health.**  **HENRY SCHEIN®**

**Obtain FDA OTC clearance
Start of B2C sales**



Increased profitability

Thank You

SHL telemedicine



Supplement Information

Reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit
as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures

Key figures (as reported):			
in USD million (except per share amounts)	FY2022	FY2021	% change
Revenues for the period	59.0	49.6	19
Revenues			
Revenues			
• Germany	13.4	17.9	(25)
• Israel	45.1	31.2	45
• Rest of the World	0.5	0.5	-
LBIT	(5.2)	(0.5)	
EBITDA*	2.0	5.0	(60)
Net profit (loss)	0.2	(13.9)	
EPS (Basic loss)	(0.01)	(1.00)	
Operating cash flow	(0.1)	0.2	

In the table below, 2021 results have been presented at 2022 constant currency¹ 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

Adjusted key figures (in constant currency ¹)			
in USD million	FY2022	FY2021	% change
Revenues	59.0	46.4	27
Revenues			
• Germany	13.4	16.0	(16)
• Israel	45.1	30.0	51
• Rest of the World	0.5	0.4	0
Adjusted EBIT / (LBIT)**	(3.0)	1.4	
Adjusted EBITDA ***	4.1	6.4	(35)

**Adjusted EBIT: Please see the Adjusted EBITDA and Adjusted EBIT Table below.

***Adjusted EBITDA: Please see the Adjusted EBITDA and Adjusted EBIT Table below

Supplement Information

Reconciliation of Adjusted EBITDA and Adjusted EBIT to net profit as required by the rules of the U.S. Securities Exchange Commission with respect to non-GAAP financial measures (2021 results are presented also in 2022 constant currency exchange rates¹)

	2022	2021	2021(CC)
Net profit (loss)	215	(13,924)	(13,286)
Financial expenses (income), net	(6,478)	12,972	12,469
Tax expenses	1,097	455	473
Depreciation and amortization expense (including impairment)	7,134	5,501	4,947
EBITDA	<u>1,968</u>	<u>5,004</u>	<u>4,603</u>
Share-based compensation	1,757	1,306	1,256
Non- recurring expenses	416	548	493
Adjusted EBITDA	<u>4,141</u>	<u>6,858</u>	<u>6,352</u>

The Company believes Adjusted EBITDA and Adjusted EBIT provide useful information regarding the Company's financial and operating performance. Adjusted EBITDA and Adjusted EBIT are not IFRS or U.S. GAAP measures. You should not construe Adjusted EBITDA and Adjusted EBIT as alternatives to operating profit or cash flows from operating activities determined in accordance with IFRS or U.S. GAAP or as a measure of liquidity. Adjusted EBITDA and Adjusted EBIT are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies

(1) Constant currency – to enable meaningful comparison between 2022 and 2021 results, 2021 results are also presented at 2022 constant currency exchange rates which are calculated as annual average based on the average monthly exchange rates of each of the USD and the EUR versus the NIS, as published by the Bank of Israel. 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