



SHL Telemedicine Ltd.

Half Year Report 2025



SHL Telemedicine Ltd.
January 1 - June 30, 2025

Letter to Shareholders

Dear Shareholders

SHL summarizes its first half of 2025 activities and presents the financial results for the period.

In the second half of last year, 2024, a significant process of change management process in the leadership team began. This process, which started with changes in the composition of the board of directors and subsequently with new appointments in the group's top management, continued throughout the first six months of 2025, during which working teams continued to be built mainly at mid-level management in the various activities. Our goal is to build an experienced team to lead the company through a turnaround and value-creation process.

As previously reported, as part of the cost-reduction process, the company's share was voluntarily delisted from Nasdaq at the beginning of April 2025. It is important to note that trading on the SIX Swiss Exchange continues.

As part of the turnaround process, the company's management has defined three main efforts:

- Balancing the losses in the company's German operations and subsequently moving the operations to profitability.
- Regenerating revenue growth in the company's Israeli operations as a lever for improving profitability.
- Building a marketing strategy for a successful entry into the U.S. market.

It must be said that achieving these goals and completing the turnaround is a challenge that is expected to continue for several years and is not expected to be completed this year, 2025. Furthermore, the move also demands financial resources, both on the operational side for improving efficiency and on the sales and marketing side for generating growth.

Based on the above, and out of confidence in the potential inherent in the company's value creation process, the company's board of directors has decided on a capital raise. The purpose of which is to secure enough financial resources for coming few years to support the turnaround process. The capital raising is expected to take place during the fourth quarter.

As for H1-25 financials, revenues were stable and total at USD 27.9 million, approximately same as H1-24 revenue. Revenue growth in the Israeli activity was offset by a decline in revenue in Germany. In terms of geographic Revenue mix, Israeli activity accounted for 79%% of total revenues and the German business accounted for 19%. The remaining portion is the US.



In H1-25 net loss was USD 4.3 million, compared to net loss of USD 3.9 million in H1-24. The increase of about USD 0.4 million in the net loss, despite a decrease of USD 0.5 million in the operating loss is attributed mainly to a decrease of about USD 1.1 million in the company's financial income in H1-25 compared to H1-24. The higher financial income in H1-24 was driven mainly by gains from translation of foreign currency and profits from short-term investments.

Adjusted EBITDA which is defined as Operating profit excluding depreciation, amortization, other costs and ESOP (employees stock options plan), totaled in H1-25 to USD 0.9 million, compared with USD 0.5 million in the parallel period in previous year.

Israel

Israeli market was very solid during the first six months of 2025, despite the unstable security situation. Moreover, revenue grew, and profitability was improved. Both were driven by our BTB business (“**Mediton**”) where revenue growth was turned to profit leveraging economies of scale.

Germany

The performance of our German operations in H1-25 were still below our expectation. Revenue decreased by about USD 1.1 million resulting in a deeper loss. As mentioned above balancing the losses of the German activity is a main focus and it will be involved with building a new and more efficient and flexible cost structure supported by a new operational IT platform.

USA

In the US, we are developing a distribution strategy that will rely on the SmartHeart® ECG technology, utilizing the infrastructure of a network of cardiologists that is already set up across the US and is available to perform a remote review and interpretation of SmartHeart® ECG from anywhere. However, during the first half of 2025 we decided to lower our marketing spending compared with H1-24 targeting a more cost-effective methodology. The lower marketing costs resulted in lower losses.

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,

Dr. Itamar Offer
Chairman of the Board

David Arnon
CEO



SHL TELEMEDICINE LTD.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2025

U.S. DOLLARS IN THOUSANDS

UNAUDITED

INDEX

	Page
Review of Interim Condensed Consolidated Financial Statements	2
Consolidated Balance Sheets	3 - 4
Consolidated Statements of Comprehensive Income	5
Consolidated Statements of Changes in Equity	6 - 7
Consolidated Statements of Cash Flows	8 - 9
Notes to Interim Condensed Consolidated Financial Statements	10 - 15

Auditors' Review Report to the Shareholders of SHL Telemedicine Ltd.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of SHL Telemedicine Ltd. ("the Company") and its subsidiaries as of June 30, 2025, which comprise the interim consolidated balance sheet as of June 30, 2025, and the related interim consolidated statements of comprehensive income, changes in equity and cash flows for the six months 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 10, 2025

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

CONSOLIDATED BALANCE SHEETS**U.S. dollars in thousands**

	June 30,		December 31,
	2025	2024	2024
	Unaudited		Audited
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	10,082	10,890	7,679
Short-term investments	2,998	9,435	9,843
Trade receivables	7,337	7,805	7,309
Inventory	1,211	2,902	1,171
Other accounts receivable	897	2,080	1,470
	22,525	33,112	27,472
NON-CURRENT ASSETS:			
Inventory	3,259	1,915	3,070
Prepaid expenses	2,966	2,941	2,850
Long-term deposits	217	317	301
Right-of-use assets	4,363	6,909	5,827
Deferred taxes	1,565	1,601	1,448
	12,370	13,683	13,496
PROPERTY AND EQUIPMENT, NET	5,402	4,997	4,961
GOODWILL	20,691	31,814	19,131
INTANGIBLE ASSETS, NET	16,026	19,238	15,699
<u>Total assets</u>	<u>77,014</u>	<u>102,844</u>	<u>80,759</u>

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

CONSOLIDATED BALANCE SHEETS**U.S. dollars in thousands**

	June 30,		December 31,
	2025	2024	2024
	Unaudited		Audited
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Credit from banks and others	2,450	2,112	2,206
Current maturities of lease liabilities	2,173	2,137	2,131
Deferred revenues	287	382	316
Income taxes payable	505	98	231
Trade payables	3,409	3,501	3,649
Liability for acquisition of non-controlling interests	9,237	-	8,540
Other payables	7,815	7,007	9,468
	<u>25,876</u>	<u>15,237</u>	<u>26,541</u>
NON-CURRENT LIABILITIES:			
Loans from banks	7,616	9,030	8,197
Deferred taxes	2,001	2,086	2,000
Lease liabilities	2,136	4,632	3,584
Employee benefit liabilities	1,350	1,591	1,189
	<u>13,103</u>	<u>17,339</u>	<u>14,970</u>
Total liabilities	<u>38,979</u>	<u>32,576</u>	<u>41,511</u>
EQUITY:			
Attributable to equity holders of the Company:			
Issued capital	48	48	48
Additional paid-in capital	158,349	156,637	156,690
Treasury shares	(2)	(2)	(2)
Foreign currency translation reserve	(3,360)	(7,803)	(6,351)
Capital reserve for options	-	1,514	1,514
Capital reserve for remeasurement gains on defined benefit plans	1,192	1,058	1,192
Capital reserve from transactions with non-controlling interests	(5,618)	-	(5,618)
Accumulated deficit	<u>(112,574)</u>	<u>(84,131)</u>	<u>(108,225)</u>
	<u>38,035</u>	<u>67,321</u>	<u>39,248</u>
Non-controlling interests	<u>-</u>	<u>2,947</u>	<u>-</u>
Total equity	<u>38,035</u>	<u>70,268</u>	<u>39,248</u>
Total liabilities and equity	<u>77,014</u>	<u>102,844</u>	<u>80,759</u>

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

September 10, 2025

Date of approval of the
financial statements

Itamar Offer
Chairman of the Board

David Arnon
CEO

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

	Six months ended June 30,		Year ended December 31,
	2025	2024	2024
	Unaudited		Audited
Revenues	27,919	27,869	56,779
Cost of revenues	14,900	14,774	30,986
Gross profit	13,019	13,095	25,793
Research and development costs	2,325	2,597	5,357
Selling and marketing expenses	4,620	5,578	10,450
General and administrative expenses	8,616	8,427	17,052
Operating loss before other expenses	(2,542)	(3,507)	(7,066)
Other expenses	957	415	19,727
Operating loss	(3,499)	(3,922)	(26,793)
Financial income	240	1,316	1,447
Financial expenses	(830)	(819)	(1,468)
Loss before taxes on income	(4,089)	(3,425)	(26,814)
Taxes on income	260	465	939
Net loss	(4,349)	(3,890)	(27,753)
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods-			
Re-measurement gain on defined benefit plans	-	-	134
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:			
Foreign currency translation reserve	2,991	(2,614)	(1,124)
Total other comprehensive income (loss)	2,991	(2,614)	(990)
Comprehensive loss	(1,358)	(6,504)	(28,743)
Net profit (loss) attributable to:			
Equity holders of the Company	(4,349)	(4,001)	(28,095)
Non-controlling interests	-	111	342
	(4,349)	(3,890)	(27,753)
Comprehensive income (loss) attributable to:			
Equity holders of the Company	(1,358)	(6,510)	(29,018)
Non-controlling interests	-	6	275
	(1,358)	(6,504)	(28,743)
Earnings per share:			
Basic and diluted earnings	(0.27)	(0.24)	(1.71)

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

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 options	Capital reserve for remeasurement gains on defined benefit plans	Capital reserve from transactions with non- controlling interests	Accumulated deficit	Total
Balance as of January 1, 2025 (audited)	48	156,690	(2)	(6,351)	1,514	1,192	(5,618)	(108,225)	39,248
Share-based payments	-	145	-	-	-	-	-	-	145
Share options expired	-	1,514	-	-	(1,514)	-	-	-	-
Net loss	-	-	-	-	-	-	-	(4,349)	(4,349)
Total other comprehensive income	-	-	-	2,991	-	-	-	-	2,991
Balance as of June 30, 2025 (unaudited)	<u>48</u>	<u>158,349</u>	<u>(2)</u>	<u>(3,360)</u>	<u>-</u>	<u>1,192</u>	<u>(5,618)</u>	<u>(112,574)</u>	<u>38,035</u>

	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Capital reserve for options	Capital reserve for remeasurement gains on defined benefit plans	Accumulated deficit	Total	Non- controlling interests	Total equity
Balance as of January 1, 2024 (audited)	48	156,334	(2)	(5,294)	1,514	1,058	(80,130)	73,528	2,933	76,461
Share-based payments	-	284	-	-	-	-	-	284	27	311
Equity component of transaction with non-controlling interest	-	19	-	-	-	-	-	19	(19)	-
Net profit (loss)	-	-	-	-	-	-	(4,001)	(4,001)	111	(3,890)
Total other comprehensive loss	-	-	-	(2,509)	-	-	-	(2,509)	(105)	(2,614)
Balance as of June 30, 2024 (unaudited)	<u>48</u>	<u>156,637</u>	<u>(2)</u>	<u>(7,803)</u>	<u>1,514</u>	<u>1,058</u>	<u>(84,131)</u>	<u>67,321</u>	<u>2,947</u>	<u>70,268</u>

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

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 options	Capital reserve for remeasurement gains on defined benefit plans	Capital reserve from transactions with non- controlling interests	Accumulated deficit	Total	Non- controlling interests	Total equity
Balance as of January 1, 2024 (audited)	48	156,334	(2)	(5,294)	1,514	1,058	-	(80,130)	73,528	2,933	76,461
Share-based payments	-	333	-	-	-	-	-	-	333	33	366
Equity component of transaction with non-controlling interest	-	23	-	-	-	-	-	-	23	(23)	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(279)	(279)
Acquisition of non-controlling interests	-	-	-	-	-	-	(5,618)	-	(5,618)	(2,939)	(8,557)
Net profit (loss)	-	-	-	-	-	-	-	(28,095)	(28,095)	342	(27,753)
Total other comprehensive income (loss)	-	-	-	(1,057)	-	134	-	-	(923)	(67)	(990)
Balance as of December 31, 2024 (audited)	48	156,690	(2)	(6,351)	1,514	1,192	(5,618)	(108,225)	39,248	-	39,248

*) Represents less than \$1.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS**U.S. dollars in thousands**

	Six months ended June 30,		Year ended December 31,
	2025	2024	2024
	Unaudited		Audited
<u>Cash flows from operating activities:</u>			
Net loss	(4,349)	(3,890)	(27,753)
Adjustments required to reconcile net loss to net cash used in operating activities:			
Income and expenses not involving operating cash flows:			
Depreciation and amortization	3,278	3,715	7,541
Impairment of goodwill	-	-	13,450
Impairment of intangible assets property and equipment	-	-	2,765
Impairment of property and equipment	-	-	164
Capital loss from disposals of property and equipment	242	51	25
Capital gain from amendment of lease liabilities	-	-	(6)
Change in employee benefit liabilities, net	60	74	(187)
Financial expenses, net	637	14	630
Valuation gains of short-term investments	(88)	(557)	(558)
Cost of share-based payments	145	311	366
Tax expenses	260	465	939
	<u>4,534</u>	<u>4,073</u>	<u>25,129</u>
Changes in operating assets and liabilities:			
Decrease in trade receivables, net	532	458	1,183
Decrease (increase) in inventory	(81)	359	625
Decrease in prepaid expenses	110	169	347
Decrease (increase) in other accounts receivable	649	(356)	310
Decrease in trade payables	(504)	(251)	(211)
Increase (decrease) in deferred revenues	(52)	90	14
Increase (decrease) in other accounts payable	(2,571)	(916)	266
	<u>(1,917)</u>	<u>(447)</u>	<u>2,534</u>
Cash paid and received:			
Interest received	142	900	1,302
Interest paid	(492)	(575)	(1,165)
Income tax received	226	-	367
Income taxes paid	(401)	(407)	(786)
	<u>(525)</u>	<u>(82)</u>	<u>(282)</u>
Net cash used in operating activities	<u>(2,257)</u>	<u>(346)</u>	<u>(372)</u>

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Six months ended June 30,		Year ended December 31,
	2025	2024	2024
	Unaudited		Audited
<u>Cash flows from investing activities:</u>			
Purchase of property and equipment	(626)	(867)	(950)
Investment in intangible assets	(586)	(1,629)	(2,714)
Investment in short-term deposits	(2,780)	-	-
Proceeds from short-term deposits	114	10,032	10,023
Proceeds from sale of property and equipment	-	-	27
Purchase of short-term investments	(5,733)	(1,578)	(3,015)
Proceeds from sale of short-term investments	15,785	1,344	2,662
Net cash provided by investing activities	6,174	7,302	6,033
<u>Cash flows from financing activities:</u>			
Dividend paid to non-controlling interests	-	-	(279)
Payment of lease liabilities	(1,052)	(1,369)	(2,468)
Payment of long-term loans	(1,111)	(1,054)	(2,118)
Net cash used in financing activities	(2,163)	(2,423)	(4,865)
Effect of exchange rate changes on cash and cash equivalents	649	(336)	190
Increase in cash and cash equivalents	2,403	4,197	986
Cash and cash equivalents at the beginning of the period	7,679	6,693	6,693
Cash and cash equivalents at the end of the period	10,082	10,890	7,679
<u>Non-cash transactions:</u>			
Right-of-use asset recognized with corresponding lease liability	(770)	1,147	1,184
Incurrence of liability for acquisition of non-controlling interests	-	-	(8,557)

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**U.S. dollars in thousands (except per share data)****NOTE 1:- GENERAL**

- a. These consolidated financial statements have been prepared in a condensed format as of June 30, 2025 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, 2024 and for the year then ended ("the annual financial statements").

- b. The effects of the Swords of Iron War:

In continuation of the description in Note 1 to the annual consolidated financial statements regarding the effects of the Swords of Iron War ("the war"), the Company believes that the effects of the war on the Company's business activities in the reporting period are not material.

- c. Potential Impact of the new US Tariffs:

The imposition of new tariffs by the Trump administration could create several challenges for an Israeli company that conducts business with the United States.

However, given the current very small size of Company activity in the US no significant adverse impact on the Company is expected

- d. 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 CPI Points	Exchange rate		
		€ 1	U.S. \$ 1	CHF 1
<u>For the period ended</u>			N I S	
June 30, 2025	262.2	3.96	3.37	4.23
June 30, 2024	253.8	4.02	3.76	4.18
December 31, 2024	256.6	3.8	3.65	4.03
<u>Change during the period</u>	%	%	%	%
June 2025 (6 months)	2.2	4.2	(7.5)	5.1
June 2024 (6 months)	2.1	0.2	3.6	(3.1)
December 31, 2024	3.2	(5.8)	0.1	(6.5)

*) The index on an average basis of 1993 = 100.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**U.S. dollars in thousands (except per share data)****NOTE 2:- 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, 2025 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 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 except as described in b. below.

- b. Initial adoption of amendments to International Financial Reporting Standards:

Amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates":

In August 2023, the IASB issued Amendments to IAS 21: Lack of Exchangeability ("the Amendments") to clarify how an entity should assess whether a currency is exchangeable and how it should measure and determine a spot exchange rate when exchangeability is lacking.

The Amendments set out the requirements for determining the spot exchange rate when a currency lacks exchangeability. The Amendments require disclosure of information that will enable users of financial statements to understand how a currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The Amendments are effective for annual reporting periods beginning on or after January 1, 2025.

The adoption of the Amendments did not have a material effect on the Company's interim consolidated financial statements.

NOTE 3:- REVENUES

	Six months ended		Year ended
	June 30,		December 31,
	2025	2024	2024
	Unaudited		Audited
Revenues from services performed during the period	27,524	27,375	55,861
Revenues from sale of devices	395	494	918
	<u>27,919</u>	<u>27,869</u>	<u>56,779</u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**U.S. dollars in thousands (except per share data)****NOTE 4:- MATERIAL EVENTS DURING THE REPORTING PERIOD**

- a. On February 4, 2025, the Company announced that Lior Haalman has been appointed to serve as the Company's CFO, starting March 1, 2025.
- b. During the period, the Company's Board of Directors approved the grant of 320,000 options to a Senior Manager, under the 2021 Executive and Key Employee Israeli Share Incentive Plan. The options shall vest over a period of 4 years in equal annual installments (80,000 options for each installment). The weighted average fair value of options granted is CHF 0.425-0.527 (\$0.467-\$0.578). The weighted average fair value was estimated based on the binomial model using the following data and assumptions: share price - CHF 2.01; exercise price – CHF 5.34-7.12; expected volatility – 60.2%; risk free interest rate – 0.26%; expected dividend – 0%; and expected average life of options – 4.92-5.02 years.
- c. On March 11, 2025 the Company announced its intention to voluntarily delist its American Depositary Receipts (“ADRs”) from the Nasdaq Capital Market (“Nasdaq”), terminate its ADR program and deregister from, and terminate its reporting obligations under, the Securities Exchange Act of 1934, as amended (the “Securities Exchange Act”). The delisting and termination of its ADR program and Securities Exchange Act registration and reporting will not affect the Company’s listing on the SIX Swiss Exchange, where its ordinary shares will continue to trade. The delisting date was April 2, 2025.
- d. In March 2025, a financial claim was filed with the Tel Aviv Regional Labor Court against Mediton, and Dr. Haim Perlock (who held 100% of Mediton shares until August 2021 and currently holds 30%) by the former CEO of Mediton. According to the plaintiff, various amounts to which she is entitled for the period of her employment and its termination, including retirement bonuses, compensation payments and payment of her shareholding, were not paid.

The total amount of the claim is approximately NIS 7.6 million (approximately \$2,300). Most of the amount is in connection with the expected completion of the Mediton transaction (see Note 20 to the annual financial statements).

According to the assessment of Mediton's legal advisors and the Company management, there are good defenses on the factual and legal levels regarding most of the amounts claimed by the plaintiff and the likelihood of the claim being rejected, in connection with these amounts, is higher than the likelihood of being accepted (more likely than not).

The Company has included an appropriate provision in the balance sheet as of June 30, 2025, in accordance with the opinion of its legal advisors.

- e. As discussed in the annual financial statements, all options granted and outstanding to underwriters expired in March 2025. Accordingly, the related capital reserve in equity in the amount of \$1,514 was transferred to Additional paid in capital.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**U.S. dollars in thousands (except per share data)****NOTE 4:- MATERIAL EVENTS DURING THE REPORTING PERIOD (Cont.)**

- f. On April 3 2025, the Company informed Perluk – Medical Holdings Ltd., Haim Perluk, and Orna Perluk (collectively, the "Sellers") of its intention to close the purchase of the 30% stake of Mediton Medical Centers Network Ltd. and MediSure Ltd. (hereinafter: "Mediton Group") (see Note 20 to the annual financial statements), and pay the NIS 31.1 million according to the arbitrator decision, by using its right and to partial offset of an amount (that the company believes it deserves from the minority shareholders) based on alleged misrepresentations made by the Sellers in the Share Purchase Agreement dated August 25, 2021. The Sellers have responded by rejecting SHL's offset claims and approached an Israeli court which scheduled a first hearing on the matter for September 14, 2025. As a result, the transaction was not closed yet. This proceeding does not affect the purchase of the first 70% in Mediton and the company expects the acquisition of the remaining stake to be closed in due course.

On the financing side, the Company is prepared to close the acquisition of the remaining stake of Mediton and had reach an understanding with a financing bank to finance the purchase proceeds.

NOTE 5:- SEGMENT INFORMATION

As presented in the annual financial statements, the Group operates in three geographic segments: Israel, Europe (principally Germany) and Rest of the world (principally USA) ("Row").

Management monitors the operating results of its geographical units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment profit. SG&A Group expenses and some research and development expenses are mostly allocated to the separate geographic units. Some corporate expenses, some research and development expenses, finance costs and finance income and income taxes are managed on a group basis and are not allocated to the geographic segments.

Revenues are allocated based on the location of the end customer. The Group presents disaggregated revenue information based on types of customers: Individual customers and communities, Institutions and payers (income from service agreements with institutions, insurance companies and HMOs), and others.

- a. Segment revenues:

	Individuals and communities	Institutions and payers	Others	Total
Six months ended June 30, 2025 (unaudited):				
Europe	-	5,414	-	5,414
Israel	9,858	12,246	-	22,104
ROW	-	-	401	401
Total revenues	9,858	17,660	401	27,919

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except per share data)

NOTE 5:- SEGMENT INFORMATION (Cont.)

	Individuals and communities	Institutions and payers	Others	Total
Six months ended June 30, 2024 (unaudited):				
Europe	-	6,557	-	6,557
Israel	9,888	11,052	-	20,940
ROW	-	-	372	372
<u>Total revenues</u>	<u>9,888</u>	<u>17,609</u>	<u>372</u>	<u>27,869</u>

	Individuals and communities	Institutions and payers	Others	Total
Year ended December 31, 2024 (audited):				
Europe	-	12,673	-	12,673
Israel	20,325	23,126	-	43,451
ROW	-	-	655	655
<u>Total revenues</u>	<u>20,325</u>	<u>35,799</u>	<u>655</u>	<u>56,779</u>

b. Segment profit (loss):

	Six months ended June 30,		Year ended December 31,
	2025	2024	2024
	Unaudited		Audited
Europe	(2,387)	(1,699)	(4,139)
Israel	4,473	3,912	8,346
ROW	(1,099)	(2,195)	(4,158)
	987	18	49
Unallocated income and expenses:			
Corporate and R&D expenses	(3,529)	(3,525)	(7,115)
Other expenses	(957)	(415)	(19,727)
Operating loss	(3,499)	(3,922)	(26,793)
Financial income (expenses), net	(590)	497	(21)
Loss before taxes on income	(4,089)	(3,425)	(26,814)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**U.S. dollars in thousands (except per share data)**

NOTE 6:- SUBSEQUENT EVENTS

- a. On July 24, 2025, the Company's Board of Directors approved the grant of 170,000 options to Senior Managers, under the 2021 Executive and Key Employee Israeli Share Incentive Plan. The options shall vest over a period of 4 years in equal annual installments (42,500 options for each installment). On the date of the grant, the share price was CHF 1.84; and the exercise price was CHF 2.75-3.25.
- b. On July 24, 2025, the Company's Board of Directors approved the repricing of 800,000 options by reducing the exercise price from CHF 5.04-7.12 to CHF 2.75-3.25.
- c. On September 10, 2025, the Company's board of directors instructed the Company's management to act for raising capital, by way of issuance of non-tradable rights to the company's existing shareholders, and to take all the necessary actions to this end.
In accordance with the Company's needs, the amount to be raised is up to USD 30 million. The structure and price of the rights, as well as the scope of the offering, will be brought for final approval by the Company's board of directors, before and close to the date of the fundraising, which will be determined later in accordance with the completion of the required steps.

F:\W2000\w2000\3014\M\25\E\$6-SHL.docx

Information For Investors

Capital structure

As of June 30, 2025, the issued share capital is divided into 16,391,382 registered shares with a par value of NIS 0.01 each (excluding 1,372 ordinary shares of NIS 0.01 par value each, held by SHL).

Significant shareholders

As of June 30, 2025, 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
Mrs. Cai Mengke and Kun Shen	5,969,413	36.41%	36.42%
More Provident Funds	2,111,576	12.9%	12.9%
Value Base Group	1,406,236	8.58%	8.58%
Yariv Alroy	801,456	4.89%	4.89%
Danbar Finance Ltd.	791,405	4.83%	4.83%
Sphera Funds Management Ltd	632,456	3.86%	3.86%
SHL Treasury shares	1,372	0.01%	-

Listing

All SHL shares are listed on SIX Swiss Exchange.

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

The above table of Significant Shareholders reflects both actual holdings as of June 30, 2025, after deducting from the total number of shares outstanding 1,372 Ordinary Shares held by SHL, and actual holding as of June 30, 2025, 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, 2025.

Statistics on SHL Telemedicine as of June 30, 2025

Registered shares with a par value of NIS 0.01 each

Securities number (SIX)	1128957
Number of shares*	16,391,382
Market price (per share) high/low (01/01/25-30/06/25) (CHF)	1.10/2.87
Market capitalization high/low (CHF million)	18.1/47.0
Market capitalization 30/06/25 (CHF million)	30.6
Share capital – nominal value (NIS)	163,914

* Excluding 1,372 ordinary shares held by SHL.

Investor relations

SHL Telemedicine Ltd.

David Arnon, CEO.

Email: davida@shahal.co.il

Lior Haalman, Chief Financial Officer.

Email: liorh@shahal.co.il

90 Yigal Alon St., Tel Aviv 6789130, Israel

Tel. ++972 3 561 2212 Fax: ++972 3 624 2414