



Press release

Tel Aviv / Zurich / Shanghai, 27 July 2015

Shanghai Jiuchuan Investment (Group) Co., Ltd. ("Shanghai Jiuchuan") to acquire SHL Telemedicine Ltd. ("SHL" or the "Company")

- **Shareholders in SHL to receive CHF 10.5 in cash per share (subject to applicable tax withholding)**
- **Completion of transaction, subject to shareholder approval and additional customary closing conditions, planned for October 2015**

SHL Telemedicine Ltd. (SIX: SHLTN), headquartered in Tel Aviv, a leading provider and developer of advanced personal telemedicine solutions, and Shanghai Jiuchuan Investment (Group) Co., Ltd., a Shanghai based private investment firm, announced today that Shanghai Jiuchuan will acquire the entire share capital of SHL by way of a reverse triangular merger following which SHL would become a wholly owned subsidiary of Shanghai Jiuchuan.

Under the terms of the agreement, each Ordinary Share of SHL and each American Depositary Share of the Company outstanding immediately prior to the effective time of the merger and not owned by Shanghai Jiuchuan, its Israeli subsidiary or SHL shall be converted into the right to receive CHF 10.5 in cash (subject to applicable tax withholding) representing a premium of 12.9% to SHL's closing price on 24 July 2015 and a 0.9% premium to SHL's 60-day volume weighted average price before announcement.

Additionally, all options to purchase Ordinary Shares of the Company outstanding under the Company's option plan as of the effective time of the merger shall be cashed out and terminated, subject to approval of an amendment to the Company's Compensation Policy and receipt of applicable corporate approvals.

After consummation of the merger, expected to happen in October, a delisting of SHL from the SIX Swiss Exchange will take place.

In accordance with the Israeli Companies Law and SHL's Articles of Association, SHL will hold an extraordinary general meeting, expected for early September 2015. SHL's shareholders will be asked to approve the proposed merger transaction under the terms and conditions as further described in the documentation to be provided to registered shareholders prior to the Extraordinary General Meeting and that will be available on SHL's website at www.shl-telemedicine.com/about-us/investorrelations/general-meeting. The

completion of the transaction, subject to receipt of shareholder approval and additional customary closing conditions, is envisaged for October 2015.

For Shanghai Jiuchuan the acquisition of SHL, with its broad and deep competence in telemedicine, enables a direct approach to the Chinese market, relying on SHL's experienced management team.

Following its careful evaluation of the strategic alternatives, SHL is anticipated to become a truly worldwide telemedicine leader with this transaction. Based on the strong presence in Israel and Germany, and promising growth opportunities in the U.S. and other territories, it can tap into the vast Chinese market with a strong local partner. Board and Management are aligned in joining Shanghai Jiuchuan in a transaction which delivers significant value to SHL's shareholders and creates tremendous opportunities for its employees and clients.

This transaction is the logical next step in SHL's global expansion strategy and will enable it, with the support of Shanghai Jiuchuan to expand into the growing Chinese market.

Barclays and UBS acted as financial advisors to SHL in respect of this transaction

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. The Company operates in Israel, Germany, India and the United States in one business segment, Telemedicine services. SHL is listed on the SIX Swiss Exchange (SHLTN, ISIN: IL0010855885, Security No.: 1128957) and has an ADR program listed over-the counter; Symbol: SMDCY. For more information, please visit our web site at www.shl-telemedicine.com.

About Shanghai Jiuchuan Investment (Group) Co., Ltd.

Shanghai Jiuchuan Investment (Group) is a Shanghai based private investment firm having also holdings in a company principally engaged in development in the medical science and technology field.

Additional Information

In connection with the proposed transaction, the Company intends to mail a notice, proxy and ballot to its shareholders and furnish a copy of those materials to the SIX. Shareholders of the Company are urged to read the notice and the other materials when they become available because they will contain important information about the proposed transaction and related matters. Shareholders are also urged to carefully read the notice and other materials before making any voting or investment decision with respect to the proposed transaction. The notice, proxy and ballot will be available, at the Company's website, at www.shl-telemedicine.com/about-us/investorrelations/general-meeting

Additional documents related to the transaction, i.e. the Board letter, the valuation report and the fairness opinion, are available for download on <http://www.shl-telemedicine.com/newsroom/press-release-2015/>

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Some of the information contained in this press release includes 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. Neither SHL nor Shanghai Jiuchuan undertakes any obligation to publicly update or revise any forward-looking statements.

Furthermore, this press release does not constitute an offer to sell or a solicitation or an offer to buy any securities. SHL's issued shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "Securities Act"), or under any of the relevant Securities Laws of any state of the United States. SHL's issued shares may not be offered, sold or delivered, directly or indirectly, to, or for, the account of any US person (as defined in regulation S under the Securities Act) in or into the United States, or by use of the US mail, or by any means or instrumentality of United States interstate commerce, absent registration, or an exemption from registration under the Securities Act.