

MIRA INFORM REPORT

Report No. :	542748
Report Date :	07.12.2018

IDENTIFICATION DETAILS

Name :	TZAMAL JAKOBSON LTD.
Registered Office :	P.O. Box 7004 (4917001), 20 Hamagshimin Street, Kiryat Matalon Industrial Zone, Petach Tikva 4934829
Country :	Israel
Date of Incorporation :	06.06.1999
Legal Form :	Private Limited Company
Line of Business :	<ul style="list-style-type: none"> Importers and marketers of perishable and non-perishable medical devices and technology for surgery, orthopedics & sports medicine, cardiovascular, neurosurgery & E.N.T, spine. Also importers and marketers of robotics for the medical field.
No. of Employees :	40 (2017)

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	B
------------------------	---

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	Unknown
Litigation :	Clear

NOTES:

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Any query related to this report can be made on e-mail: while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Israel	B1	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

ISRAEL - ECONOMIC OVERVIEW

Israel has a technologically advanced free market economy. Cut diamonds, high-technology equipment, and pharmaceuticals are among its leading exports. Its major imports include crude oil, grains, raw materials, and military equipment. Israel usually posts sizable trade deficits, which are offset by tourism and other service exports, as well as significant foreign investment inflows.

Between 2004 and 2013, growth averaged nearly 5% per year, led by exports. The global financial crisis of 2008-09 spurred a brief recession in Israel, but the country entered the crisis with solid fundamentals, following years of prudent fiscal policy and a resilient banking sector. Israel's economy also weathered the 2011 Arab Spring because strong trade ties outside the Middle East insulated the economy from spillover effects.

Slowing domestic and international demand and decreased investment resulting from Israel's uncertain security situation reduced GDP growth to an average of roughly 2.8% per year during the period 2014-17. Natural gas fields discovered off Israel's coast since 2009 have brightened Israel's energy security outlook. The Tamar and Leviathan fields were some of the world's largest offshore natural gas finds in the last decade. Political and regulatory issues have delayed the development of the massive Leviathan field, but production from Tamar provided a 0.8% boost to Israel's GDP in 2013 and a 0.3% boost in 2014. One of the most carbon intense OECD countries, Israel generates about 57% of its power from coal and only 2.6% from renewable sources.

Income inequality and high housing and commodity prices continue to be a concern for many Israelis. Israel's income inequality and poverty rates are among the highest of OECD countries, and there is a broad perception among the public that a small number of "tycoons" have a cartel-like grip over the major parts of the economy. Government officials have called for reforms to boost the housing supply and to increase competition in the banking sector to address these public grievances. Despite calls for reforms, the restricted housing supply continues to impact younger Israelis seeking to purchase homes. Tariffs and non-tariff barriers, coupled with guaranteed prices and customs tariffs for farmers kept food prices high in 2016. Private consumption is expected to drive growth through 2018, with consumers benefitting from low inflation and a strong currency.

In the long term, Israel faces structural issues including low labor participation rates for its fastest growing social segments - the ultraorthodox and Arab-Israeli communities. Also, Israel's progressive, globally competitive, knowledge-based technology sector employs only about 8% of the workforce, with the rest mostly employed in manufacturing and services - sectors which face downward wage pressures from global competition. Expenditures on educational institutions remain low compared to most other OECD countries with similar GDP per capita.

Source : CIA

COMPANY NAME AND ADDRESS

TZAMAL JAKOBSON LTD.

Telephone 972 73 715 11 11
Fax 972 3 760 27 79
Email: info@tzamal-medical.co.il
P.O. Box 7004 (4917001)
20 Hamagshimin Street
Kiryat Matalon Industrial Zone
PETACH TIKVA 4934829 ISRAEL

HISTORY & LEGAL FORMATION

A private limited company, incorporated as per file No. 51-278837-3 on the 06.06.1999.

Subject was established in order to continue all the activities of a private limited company, JAKOBSON MEDICAL EQUIPMENT LTD., which was acquired by the TZAMAL MEDICAL Group. JAKOBSON MEDICAL EQUIPMENT LTD. was originally established as a department of M. JAKOBSON LTD. in the 1940's and incorporated in 1995.

SHARE CAPITAL

Authorized share capital NIS 39,000.00, divided into -
38,000 ordinary shares (3,800 shares issued), 1,000 ordinary "A" shares (200 shares issued), all of NIS 1.00 each, of which shares amounting to NIS 4,000.00 were issued.

SHAREHOLDERS

1. TZAMAL MEDICAL EQUIPMENT LTD. (formerly TZAMAL MEDICAL INDUSTRIES LTD.), 100% of ordinary shares issued, owned by Joshua (Shuki) Katz (holding 1 ordinary share directly), and 80% of ordinary "A" shares issued,
2. E.S.O.P. TRUST CO LTD., 20% of ordinary "A" shares issued, in trust on behalf of Tamuz Barak.

SOLE DIRECTOR

Asaf Katz.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

GENERAL MANAGER

Erez Ofer.

BUSINESS

Importers and marketers of perishable and non-perishable medical devices and technology for surgery, orthopedics & sports medicine, cardiovascular, neurosurgery & E.N.T, spine.

Also importers and marketers of robotics for the medical field.

Sales are mainly to healthcare funds, medical institutes, clinics and hospitals.

Amongst clients: HADASSA MEDICAL ORG. (Hadassa Hospital), CLALIT HEALTH SERVICES (Israel's largest Healthcare Fund, 40% of sales in 2010), SAREL – LOGISTICS SOLUTIONS & PRODUCTS FOR ADVANCED MEDICINE, SHEBA MEDICAL CENTER (TEL HASHOMER Hospital), ELIAS SORASKY MEDICAL CENTER TEL AVIV (ICHILOV Hospital), RAMBAM MEDICAL CENTER, ASSUTA Hospital, SHAAREY TZEDEK Hospital, etc.

All purchasing is from import.

Sole local representatives, importers and distributors of (among others):

PAJUNK, B. BRAUN/ AESCULAP, CHRISTOPH MIETHKE, SPIEGELBERG, DYNA-MESH, XENIOS, JOIMAX, MAT-MEDICAL, all of Germany,

BARIATRIC SOLUTIONS, of Switzerland,

ELEKTA, of Sweden,

CARDIATIS, of Belgium,

TRUMPF, of France,

MERZ, QED MEDICAL, PMT, HYPERBRANCH, HEMEDEX, VISIONSENSE, ANGIOSCORE, SYNCARDIA SYSTEMS, PENUMBRA, INTEGRA, CONMED, PARADIGM SPINE, WELCH ALLYN, INTRINSIC THERPEUTICS, VASCULAR SOLUTIONS, CORINDUS, INFRAEDX, MediCapture, all of USA,

SAPI MED, EUROSETS, ISBA, all of Italy.

Operating from rented premises (serving TZAMAL MEDICAL Group compound, which includes offices and storage facilities), on an area of 1,000 sq. meters (of which 600 sq. meters offices, 400 sq. meters warehouses), in 20 Hamagshimim Street, Kiryat Matalon Industrial Zone, Petach Tikva.

Note: subject left 7 Halapid Street, Petach Tikva many years ago.

Website: www.tzamal-medical.co.il

Had 40 employees in subject in the end of 2017 (had 30 employees in 2013).

Had 90 employees serving TZAMAL MEDICAL Group in the end of 2017 (had 70 employees in group in 2014).

MEANS

TZAMAL MEDICAL Group's consolidated stock was valued at NIS 20,000,000 – NIS 25,000,000 in the end of 2014.

Other/later financial data not forthcoming.

There are 3 charges for unlimited amounts, as well as 1 charge for the sum of NIS 190,000 registered on the company's assets (2 all assets on all assets, placed 2004 and May 2016, 1 charge on financial assets placed June 2016, and 1 charge on a vehicle placed January 2017), in favor of Bank Leumi Le'Israel Ltd. and The First International Bank of Israel Ltd.

REVENUES

TZAMAL MEDICAL Group's consolidated sales:

2013 sales claimed to be NIS 100,000,000.

2014 sales claimed to be NIS 100,000,000.

Later sales data not forthcoming.

OTHER COMPANIES

TZAMAL MEDICAL Group also includes (following are actually owned and controlled by Shuki Katz), among others:

TZ.M.L. MEDICAL LTD., holding company, heads TZAMAL MEDICAL Group,

TZAMAL MEIDCAL EQUIPMENT LTD. (formerly TZAMAL MEDICAL INDUSTRIES LTD.), parent company, innovative and added-value medical disposables.

TZAMAL BIO-PHARMA LTD., 74%, importers and marketers of medicines for operation rooms.

TZAMAL 2B CAPITAL MEDICAL EQUIPMENT LTD., High-tech capital equipment for all areas of the healthcare industry.

TZAMAL MEDICARE LTD., innovative technology for primary and home care,

M. P. VET LTD., 90%, importers and marketers of veterinary medicines. 2010 sales US\$ 1.5 million.

TZAMAL D-CHEM LABORATORIES LTD., importers and marketers of fine laboratory chemicals, bio chemicals, reagents and molecular biology products.

INFOTECH LTD., developers and marketers of infusion pumps and supplementary equipment.

TZAMAL INVESTMENTS LTD., investing in medical equipment start-ups.

BANKERS

According to our (since we could not speak to subject's CFO, we were unable to verify the u/m bank details):

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Bank Leumi Le'Israel Ltd., Kiryat Arie Business Branch (No. 670), Petach Tikva, account No. 80300/07 – main branch.

Also maintain an account at: Bank Hapoalim Ltd., Petach Tikva Branch (No. 616), Petach Tikva, account No. 543070.

A check with the Central Banks' database did not reveal anything detrimental on subject's a/m accounts.

CHARACTER AND REPUTATION

Nothing unfavorable learned.

Despite our efforts, we were unable to speak with subject's CFO as he was always unavailable. We left messages which so far remain unanswered.

TZAMAL MEDICAL Group is a long established business, established in 1972, well-known in the local market, with good reputation.

Mr. Shuki Katz, subject's main shareholder, was a shareholder with Yehuda Gil in TZMAL MODERN EQUIPMENT LTD. which they established in 1972, and which operated in a similar field as subject. The company was split in 1999, Mr. Katz sold his shares in this company and some of its activities were transferred to subject (the former company changed its name to Y. GIL MEDICAL LTD.).

From the Central Bureau of Statistics (CBS) data, imports to Israel in the segment of Medical Equipment in 2017 summed up to US\$ 102.3 million, compared to US\$ 91.3 million in 2016, US\$ 85.8 million in 2015 and US\$ 93 million in 2014.

In the first 6 months of 2018, import of Medical Equipment reached US\$ 58.74 million, almost 30% increase compared to the parallel period in 2017.

Local consumption market for medical and aesthetic electronic equipment and instrumentation was estimated at over US\$ 1 billion (sales by local manufacturers and from import), based on the Ministry of Industry & Trade research in 2009.

According to the Ministry of Economy survey in 2008, there are some 160 local companies operating in the medical equipment field.

SUMMARY

Notwithstanding the lack of updated data, considered good for trade engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.04
UK Pound	1	INR 90.30
Euro	1	INR 80.55
ILS	1	INR 18.92

Note: Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	NIT

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)