

## MIRA INFORM REPORT

<b>Report No. :</b>	534690
<b>Report Date :</b>	17.10.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	CURE MEDICAL AND TECHNICAL SUPPLY LTD
<b>Registered Office :</b>	P.O. Box 3340, 6 Hashiloach Street, Kiryat Matalon Industrial Zone, Petach, Tikva, 4951439
<b>Country :</b>	Israel
<b>Date of Incorporation :</b>	18.07.1988
<b>Legal Form :</b>	Private Limited Company
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>Importers and marketers of medical equipment, specializing in dialysis devices and consumable dialysis supplies.</li> <li>Also importers of disposable products in the dialysis fields (solutions, saline).</li> </ul>
<b>No. of Employees :</b>	700

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

#### NOTES :

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

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**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**

RE: CURE MEDICAL AND TECHNICAL SUPPLY LTD.

Telephone 972 3 937 11 11  
Fax 972 3 937 11 41

P.O. Box 3340  
6 Hashiloach Street  
Kiryat Matalon Industrial Zone  
PETACH TIKVA, 4951439, ISRAEL

## **HISTORY & LEGAL FORMATION**

A private limited company, incorporated as per file No. 51-131107-8 on the 18.07.1988.

## **SHARE CAPITAL**

Authorized share capital NIS 10,000.00, divided into -  
200 voting shares (20 shares issued),  
9,574 ordinary "A" shares (2,663 shares issued),  
226 ordinary "B" shares (issued), all of NIS 1.00 each,  
of which shares amounting to NIS 2,909.00 were issued.

## **SHAREHOLDERS**

Subject is fully owned by ELDAN ELECTRONIC INSTRUMENTS LTD., fully owned by HOLDINGS - MICHAL & DAVID FUHRER LTD., a holding company owned by Mrs. Michal Fuhrer and David Fuhrer, part of NEOPHARM Group.

## **DIRECTORS**

According to the Registrar of Companies, parent company ELDAN ELECTRONIC INSTRUMENTS LTD. is registered as the sole director.  
David Fuhrer is NEOPHARM Group's Chairman.

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## **GENERAL MANAGER**

Tal Rabinovich, also General Manager of ELDAN ELECTRONIC

## **BUSINESS**

Importers and marketers of medical equipment, specializing in dialysis devices and consumable dialysis supplies. Also importers of disposable products in the dialysis fields (solutions, saline, etc.).

Subject is part of NEOPHARM/ PROMEDICO Group, owned by Mrs. Michal Fuhrer and David Fuhrer.

Among customers are HMO's local hospitals, etc.

Among clientele: CLALIT HEALTH SERVICES (local largest healthcare fund).

All purchasing is from import.

Sole local representatives of (according to past):

FRESENIUS MEDICAL, of Germany.

HOLLISTER, THERMO FINNIGAN, of USA/UK.

Operating from ELDAN ELECTRONIC's rented premises (offices and labs), on an area of 1,500 sq. meters, in 6 Hashiloah Street, Kiryat Matalon Industrial Zone, Petach Tikva, and from PROMEDICO warehouses premises, owned by shareholders, on an area of 1,500 sq. meters, in 5 Beit Harishonim Street, Industrial Zone, Emek Hefer.

Having no employees in subject, receiving services from ELDAN ELECTRONIC, which has 97 employees.

Having some 700 employees serving NEOPHARM/ PROMEDICO Group.

## **MEANS**

Current stock is valued at NIS 5,000,000.

Other financial data not forthcoming, though NEOPHARM Group known to be financially solid.

There no charges registered on the company's assets.

## **REVENUES**

2016 sales claimed to be NIS 30,000,000.

2017 sales claimed to be NIS 30,000,000.

2018 projected sales are NIS 30,000,000.

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Parent company ELDAN ELECTRONIC INSTRUMENTS consolidated sales: 2016 sales claimed to be NIS 150,000,000.

2017 sales claimed to be NIS 170,000,000.

First 6 months of 2018 sales claimed to be NIS 80,000,000.

NEOPHARM Group's consolidated 2015 sales reported to be circa 1,500 million.

NEOPHARM Group's consolidated 2016 sales reported to be circa 1,550 million.

NEOPHARM Group's consolidated 2017 sales reported to be circa 1,550 million.

## **OTHER COMPANIES**

ELDAN ELECTRONIC INSTRUMENTS LTD., parent company, importers, marketers, and service providers of medical diagnostic, analytical and scientific equipment, as well as isotopes and biological substances for medical and biotechnological use and for scientific research.

NEOPHARM LTD., established 1955 (continuing activities which began in 1941), Heads the Group, a holding company.

NEOPHARM Group includes, among others (100% held):

NEOPHARM (ISRAEL) 1996 LTD., importers, distributors and marketers of over-the-counter and consumer health care products.

NEOPHARM CONSUMER PRODUCTS LTD. (formerly NEO-LIFE HEALTH-CARE LTD.), traders, importers and marketers of nutritional supplements, vitamins essential oils and other related consumer products, holds 80% of D.P.L. DISPOSABLE PRODUCTS INDUSTRIES LTD., developers, manufacturers, exporters and marketers of disposable moist tissues and wet wipes for hygienic and cosmetic purposes.

PROMEDICO LTD., importers and marketers of prescription and OTC medicines, pharmaceuticals, vaccines, healthcare and natural healthcare products (vitamins, etc.), baby food, diagnostic and medical equipment.

NEOPHARM INVESTMENTS 1966 LTD., a holding company.

GENMEDIX, a general partnership, business activities originally started in 1982, importers and marketers of pharmaceuticals.

NEOPHARM - CURE (2005) LTD.

CALENDAS LTD., dealers in medical equipment.

MICHAL & DAVID FUHRER HOLDINGS LTD., a holding company.

NEOPHARM ENTERPRISES 1979 LTD.

NEOPHARM SCIENTIFIC LTD.

SHAKED TEVEL LTD., importers and marketers of foodstuff.

L.D.D ADVANCED TECHNOLOGIES (2005) LTD., 50%, providers of consultation services and solutions for soil and groundwater remediation, holds BIOTERRA LTD., 100%, holds 50% of BIOSOIL, a partnership, provides environmental protection services.

## **BANKERS**

Bank Leumi Le'Israel Ltd., Principal Branch Tel Aviv (No. 800), Tel Aviv.

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## **CHARACTER AND REPUTATION**

Nothing unfavorable learned.

NEOPHARM Group, founded in 1941, is considered the 2<sup>nd</sup> largest local group in the pharmaceutical and health care products and medical equipment. exclusive representative of leading multinational bio-pharma and consumer healthcare brands including: ABBOTT, ACTELION, ALEXION, CELGENE, GILEAD, R3, JOHNSON & JOHNSON, NOVARTIS VACCINES, PFIZER and more.

In 2003, David Fuhrer acquired ELDAN ELECTRONIC EQUIPMENT LTD. (before it became subject's parent) from the Eisenberg Family.

In the second half of 2005, NEOPHARM completed the acquisition of PROMEDICO, a leading local pharmaceutical and health products company, and its merger into the Group.

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**

Good for trade engagements.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.90
UK Pound	1	INR 97.33
Euro	1	INR 85.58
ILS	1	INR 20.17

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIV
<b>Report Prepared by :</b>	SYL

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**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)