



DarioHealth Corp. Announces \$5.1 Million Private Placement

Led by OurCrowd Qure – Israeli Digital Health Specialized Fund

Highlights:

- Deal led by OurCrowd Qure, a dedicated digital health fund that invested \$2.5 million of the \$5.1 million.
- Current investors of DarioHealth also participated in the current round indicating the strong support and belief in the company's strategy moving forward.
- OurCrowd Qure granted two board seats, which will be selected and announced at a later date.
- Funding will be used to accelerate adoption across existing markets and into new geographies such as Germany in 2017.
- \$2 million of gross proceeds are subject to shareholder approval per Nasdaq rules.

Boston, MA / Jerusalem, Israel – January 12, 2017 – DarioHealth Corp. (NASDAQ:DRIO), a leader in digital health and mobile health solutions, announced today the execution of definitive agreements for an aggregate raise of \$5.1 million. The private placement transaction was organized by DarioHealth. DarioHealth closed on \$3.1 million of the transaction on January 9, 2017, with the closing of the remaining \$2 million to occur upon receipt of stockholders approval pursuant to Nasdaq rules. The offerings are expected to result in gross proceeds of approximately \$5.1 million, assuming stockholder approval for the \$2 million portion of the transactions is obtained.

The successful fundraising round was led by OurCrowd Qure, Israel's First Exclusive Digital Health Fund, and by existing shareholders. OurCrowd Qure was launched by OurCrowd, a leading equity crowdfunding platform in November 2016.

Erez Raphael, Chairman and CEO, DarioHealth commented on the placement: *"We have received great support and belief in our product, vision, and growth strategy from investors. With this funding, we will accelerate adoption of our innovative and user-friendly remote glucose monitor*

platform across current markets and also expand into new geographies, such as Germany, in 2017.”

Allen Kamer, Managing Partner, OurCrowd Qure said, “We are highly impressed with DarioHealth’s mobile blood glucose monitoring platform. The solution offers a unique user experience approach combined with personalized disease management tools. Dario’s global footprint and direct to consumer expansion strategy offer significant growth potential and truly disrupts current healthcare delivery.”

The private placement transaction included the sale of an aggregate of 1,821,437 shares of common stock at a price per share of \$2.80 and a common stock warrant to purchase an aggregate of 1,821,437 shares of common stock. The warrants will have an exercise price of \$3.50 per share, be exercisable on the six month anniversary of closing and have a term of five years. DarioHealth granted all purchasers registration rights and intends to file a registration statement with the Securities and Exchange Commission for the resale of the common stock and shares of common stock underlying the common stock warrants. If fully exercised for cash, the warrants would provide an additional \$6.37 million of cash to the Company.

DarioHealth intends to use the net proceeds from the private placement for sales and marketing efforts to further penetrate the U.S. - and other global markets, to provide working capital, and for general corporate purposes.

The shares of common stock and warrants described above were offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Act”) and Regulation D promulgated thereunder, and pursuant to Regulation S of the Securities Act to non-U.S. investors. The shares of common stock and warrants have not been registered under the Act, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About DarioHealth Corp.

DarioHealth is a leader in digital health self-management solutions. DarioHealth delivers the ability to combine and analyze consumer health data to personalize treatment and advance medical knowledge. Dario’s™ smart diabetes management solution is a platform for diabetes management that combines the Dario™ Blood Glucose Monitoring System all-in-one blood glucose meter, native smart phone app, website portal and a wide variety of treatment tools to support more proactive and better informed decisions by users living with diabetes, their doctors and healthcare systems. Having recently launched in the largest market in the world for glucose monitoring, U.S. sales are expected to have a significant impact on revenues and gross margins. With marketing clearance in Europe and the U.S., the Dario iOS mobile app recently launched

with reimbursement in the United Kingdom, Australia, Israel, Italy, and Canada, and has also launched in New Zealand, Netherlands, Italy, and Belgium. For more information, visit <http://mydario.investorroom.com/>

About OurCrowd Qure

OurCrowd, a global leader in equity crowdfunding launched OurCrowd Qure, Israel's first exclusively focused digital health fund in Nov. 2016. The fund will focus on investing in innovative digital health startups. This is OurCrowd's first sector fund dedicated to the rapidly developing digital health market. This is OurCrowd's first sector fund dedicated to the rapidly developing digital health market. Qure is founded and managed by Allen Kamer, and Dr. Yossi Bahagon. Kamer was co-founder of Humedica, a transformative population health and analytics company, which was acquired by UnitedHealthcare. Most recently, Kamer served as the Chief Commercial Officer of Optum Analytics, a division of Optum, the health services arm of UnitedHealth Group (NYSE: UNH). Dr. Bahagon, an active family physician, founded and managed one of largest and most successful digital health platforms in the world at Clalit – the second largest Health Maintenance Organization in the world. Dr. Bahagon has handpicked and seeded some of Israel's most innovative and successful digital health companies. OurCrowd is the leading global equity crowdfunding platform for accredited investors. Managed by a team of seasoned investment professionals and led by serial entrepreneur Jon Medved, OurCrowd vets and selects opportunities, invests its own capital, and brings companies to its accredited membership of global investors. OurCrowd provides post-investment support to its portfolio companies, assigns industry experts as mentors, and takes board seats. The OurCrowd community of over 16,000 investors from over 110 countries has invested over \$300M into 100 portfolio companies and funds. For more information: www.ourcrowd.com

Cautionary Note Regarding Forward-Looking Statements

This news release and the statements of representatives and partners of DarioHealth Corp. (the "Company") related thereto contain or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "plan," "project," "potential," "seek," "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate" or "continue" are intended to identify forward-looking statements. For example, when the Company describes the closing of the private placement, including the portion which is subject to stockholders approval, the proposed use of the net proceeds from the offering, the Company's plans to accelerate global market penetration, the timing of its intention to enter into new markets and the Company's growth potential and disruption of current healthcare delivery, it is using forward-looking statements. Readers are cautioned that certain important factors may affect the Company's actual results and could cause such results to differ materially from any forward-looking statements that may be made in this news release. Factors that may affect the Company's results include, but are not limited to, regulatory approvals, product demand, market acceptance, impact of competitive products and prices, product development, commercialization or technological difficulties, the success or failure of negotiations and trade, legal, social and economic risks, and the risks associated with the adequacy of existing cash resources. Additional

factors that could cause or contribute to differences between the Company's actual results and forward-looking statements include, but are not limited to, those risks discussed in the Company's filings with the U.S. Securities and Exchange Commission. Readers are cautioned that actual results (including, without limitation, the timing for and results of the Company's commercial and regulatory plans for Dario™) may differ significantly from those set forth in the forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

For Press Materials: <http://blog.ourcrowd.com/dariohealth>

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