

Novolog Group Presentation

November 2020



Forward-looking statement

- The information included in this presentation is a summary only and does not exhaust all of the information on the Company and its business, nor is it a substitute for inspection of the Periodic Report for 2020, the Company's current reports and the presentations released thereby, as reported to the ISA via the Magna distribution site. The presentation does not constitute an offering or an invitation to purchase securities of the Company, and the provisions thereof do not constitute a recommendation or opinion or substitute for the discretion of the investor.
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All numbers and figures are approximate.

Business Card



- Founded in 1966



- The Company was listed on the Tel-Aviv Stock Exchange in 2017



- One of the leading companies in Israel in healthcare logistics services, healthcare and digital health services



- A hub of innovative Israeli technology-based services for end-customers



- Approximately 650 employees



- Strong and stable statement of financial position and no bank debt

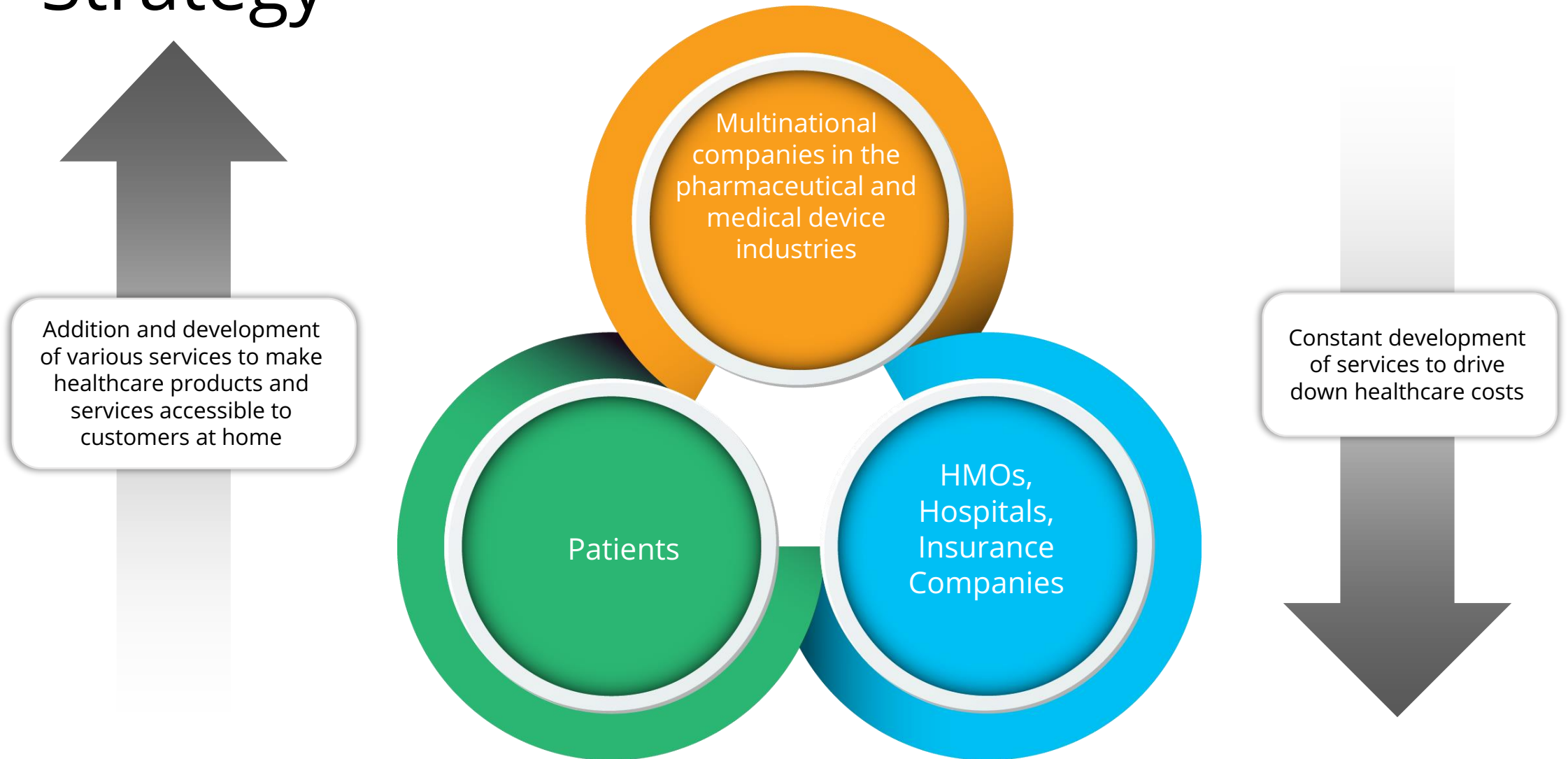


- Dividend distribution policy – 70% of the net profit

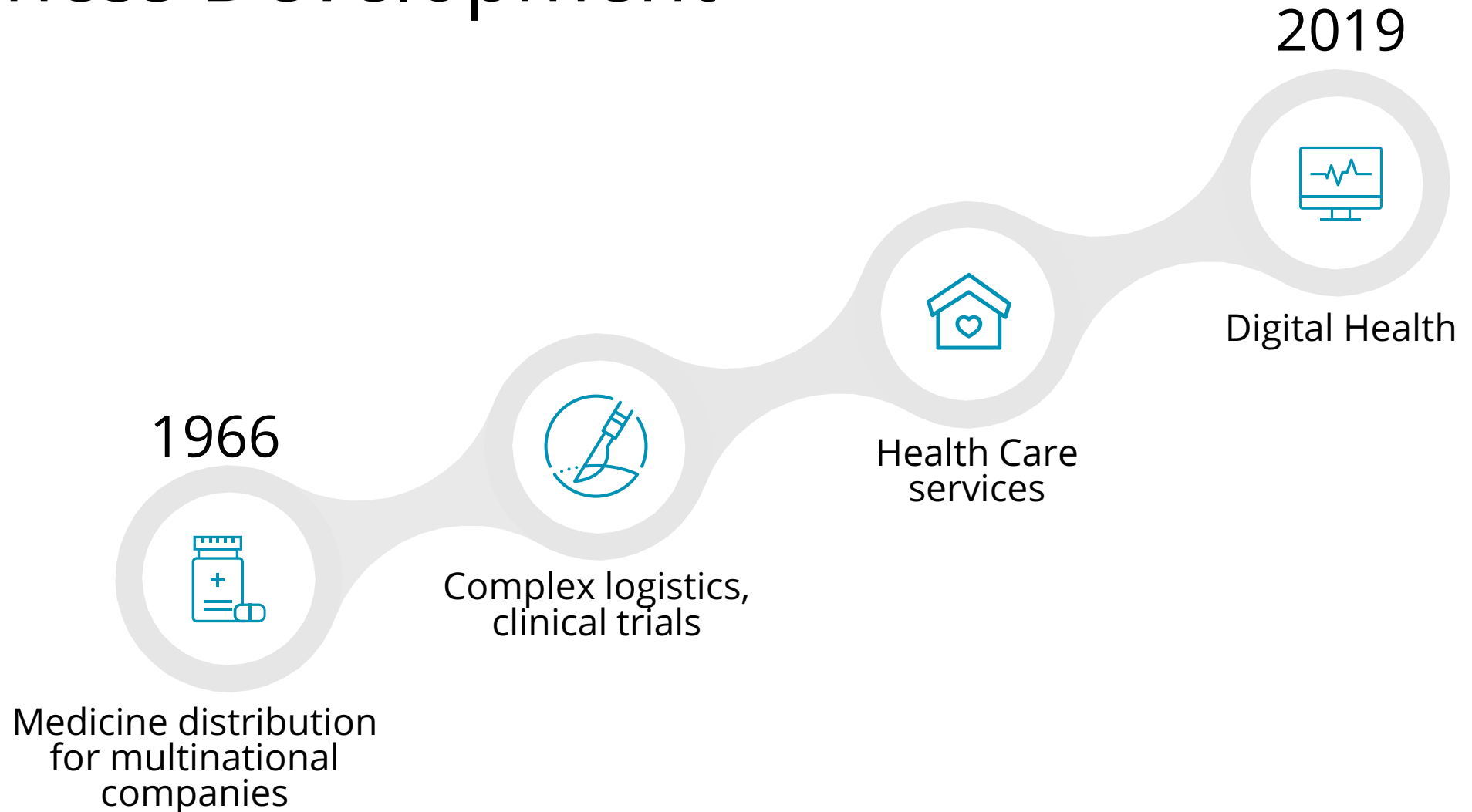


- Interested parties: Udi Puzis, Mori Arkin, Eli Dahan and institutional investors

Strategy



Business Development



Group Structure

Logistics Division

Providing complex logistics services and supplementary pharmaceutical, medical device and clinical trial services

Health Care Division

Providing medical services to patients in their homes

Digital Health Division

Providing medical information and services to patients and physicians

Health Care Services

The health care services division specializes in providing healthcare services to patients at home. We improve the treatment and service experience using state-of-the-art technology. The division provides services to healthcare organizations, insurance companies and multinational companies.

MediQuip - Homecare service-provider that focuses on improving the quality of life of chronic patients, whose therapy is delivered at home

Medicare - Provides patient-journey and adherence services for chronic patients

Target Care - Develops systems for procuring medical services and provides medical services and claim-clearing services to insurance companies and HMOs

Salus - Advanced medical services in patients' homes



Logistics and related services

Market leader in medical logistics and a strategic partner of international pharmaceutical companies and medical device companies

Novolog - Specializes in storage, distribution and logistic services of and for the pharmaceutical and narcotics industries and operates a state-of-the-art logistics center

Trialog - One-stop shop of logistics services for clinical trials

Dor - Offers practical regulatory affairs, quality and labeling consulting and outsourcing services as well as comprehensive pharmacovigilance and clinical trial management services

Mediplast - Provides sterilization services using ethylene oxide gas (ETO) to the medical device industry



Digital Health

A leading platform of technological offerings for doctors and patients. We enable patients to search, book, and review medical specialists online. Our patient self-scheduling solutions help health systems expand patient access and acquisition

Informed - Provides clinicians a strong online presence to help manage their reputations. Creates and facilitates access to medical data by both the general public and medical professionals

Odoro - Partners with the nation's leading EMR and PM systems to provide fully automated patient self-scheduling solutions along advanced telemedicine services

Doctorim - Offers patients a fast and easy-to-use digital registration and check-in experience



Q3 2020 Highlights

- In October 2020, a transaction for the acquisition of 51% of the shares of Salus Ltd. was consummated.
- In September 2020, a dividend was paid to the company's shareholders at the sum of ILS 12 million, as an advance on account of the annual dividend distribution for 2020.
- The company is finalizing logistical preparations for the possibility that it shall provide services relating to the distribution of any of the vaccines against the Covid-19 virus being developed at this time by various parties. To date, the company has not reached any agreement with any of the parties developing the vaccines as stated or with state authorities pertaining to the provision of services as stated, if and insofar as such vaccines shall be distributed in Israel, and there is no certainty that the company shall indeed be involved in any way in the process of distributing and/or dispensing the vaccine as stated in Israel.
- Continuing growth in the Logistics Division's revenues, which led to growth in pre-tax profit compared to the corresponding period last year.
- Growth in the Healthcare Services Division, which derives from the growth in the division's revenues from existing activities and revenues and profit in respect of sales of protective equipment to the government of the State of Utah in the United States, and from the sale of 500 mechanical ventilator machines to the Ministry of Defense, a project that is also continuing during the fourth quarter of 2020.
- Growth in the Digital Division's revenues, which derives from growth in Infomed's revenues and from the consolidation of Odoro as of the fourth quarter of 2019. Concurrently, an adverse impact is indicated in Infomed's activities as a result of the slowdown in private clinics' activities as a result of Covid-19.

Salus

Salus is a medical center that works with a unique team of medical specialists who provide personalized medical services. All aspects of a patient's medical care are managed at Salus by medical specialists who make home visits and carry out a variety of treatments and tests, including treatment of coronavirus patients in their homes.

Personal medical management and accompaniment

- Third-age patients
- Complex patients
- Oncology patients
- Healthy lifestyle

On call medical services

- Expert internist makes home visits to provide diagnoses and comprehensive treatment
- Certified medical team to provide further treatment
- The conducting of laboratory tests and imaging
- Tests: laboratory tests, echocardiograms, doppler, EMG, US, Holter monitor, sleep laboratory in the home and at the clinic at high availability

Result Overview

Q3 2020



Results including IFRS16

Q3 2020

(ILS millions)

	Q3 2020	Q3 2019	% change
Revenues	290.5	266.6	8.9%
Gross Profit	33.0	23.8	38.3%
Operating Profit	15.1	2.0	652.1%
Net Profit (loss)	9.7	(3.7)	360.0%
Adjusted EBITDA (*)	28.0	20.9	33.9%

Gross Profit	+38%
Operating Profit	+652%
Adjusted EBITDA	+34%

(*) Adjusted EBITDA is EBITDA after neutralizing expenses unrelated to the routine operation of the Company's businesses.

Results including IFRS16

YTD 2020

(ILS millions)

	YTD 2020	YTD 2019	% change
Revenues	859.9	779.0	10.4%
Gross Profit	93.2	72.5	28.5%
Operating Profit	46.7	23.8	95.9%
Net Profit	32.2	4.4	626.0%
Adjusted EBITDA (*)	78.1	64.8	20.5%

Gross Profit +29%

Operating Profit +96%

Adjusted EBITDA +21%

(*) Adjusted EBITDA is EBITDA after neutralizing expenses unrelated to the routine operation of the Company's businesses.

Results excluding IFRS16

Q3 2020

(ILS millions)

	Q3 2020	Q3 2019	% change
Revenues	290.5	266.6	8.9%
Gross Profit	34.2	23.9	43.2%
Operating Profit	14.6	1.7	759.7%
Net Profit (loss)	10.5	(2.8)	474.4%
Adjusted EBITDA (*)	22.8	15.7	45.2%

Gross Profit +43%

Operating Profit +760%

Adjusted EBITDA +45%

(*) Adjusted EBITDA is EBITDA after neutralizing expenses unrelated to the routine operation of the Company's businesses.

Results excluding IFRS16

YTD 2020

(ILS millions)

	YTD 2020	YTD 2019	% change
Revenues	859.9	779.0	10.4%
Gross Profit	93.6	72.5	29.2%
Operating Profit	40.7	22.8	78.7%
Net Profit	31.1	7.5	312.8%
Adjusted EBITDA (*)	63.0	49.3	27.7%

Gross Profit +29%

Operating Profit +79%

Adjusted EBITDA +28%

(*) Adjusted EBITDA is EBITDA after neutralizing expenses unrelated to the routine operation of the Company's businesses.

Results by Segment excluding IFRS16

Q3 2020

(ILS millions)

	Revenues			Adjusted EBITDA		
	Q3 2020	Q3 2019	%	Q3 2020	Q3 2019	%
Logistics	257.4	244.5	5%	15.6	10.9	43%
Health Care	30.4	19.9	53%	5.4	3.6	49%
Digital Health	5.5	3.5	60%	1.8	1.2	51%
Intercompany Transactions	(2.8)	(1.3)		-	-	
Total	290.5	266.6	9%	22.8	15.7	45%

Results by Segment excluding IFRS16

YTD 2020

(ILS millions)

	Revenues			Adjusted EBITDA		
	YTD 2020	YTD 2019	%	YTD 2020	YTD 2019	%
Logistics	766.2	722.7	6%	40.2	35.8	12%
Health Care	85.4	51.3	66%	17.3	9.9	74%
Digital Health	16.7	9.2	81%	5.5	3.6	54%
Intercompany Transactions	(8.4)	(4.2)		-	-	
Total	859.9	779.0	10%	63.0	49.3	28%

Balance Sheet including IFRS16

Q3 2020

(ILS millions)

	30/09/2020	31/12/2019
Cash	187	185
Current assets	2,038	1,675
Non-current assets	467	475
Current liabilities	2,062	1,713
Non-current liabilities	157	173
Equity	286	264
Total Assets	2,505	2,150

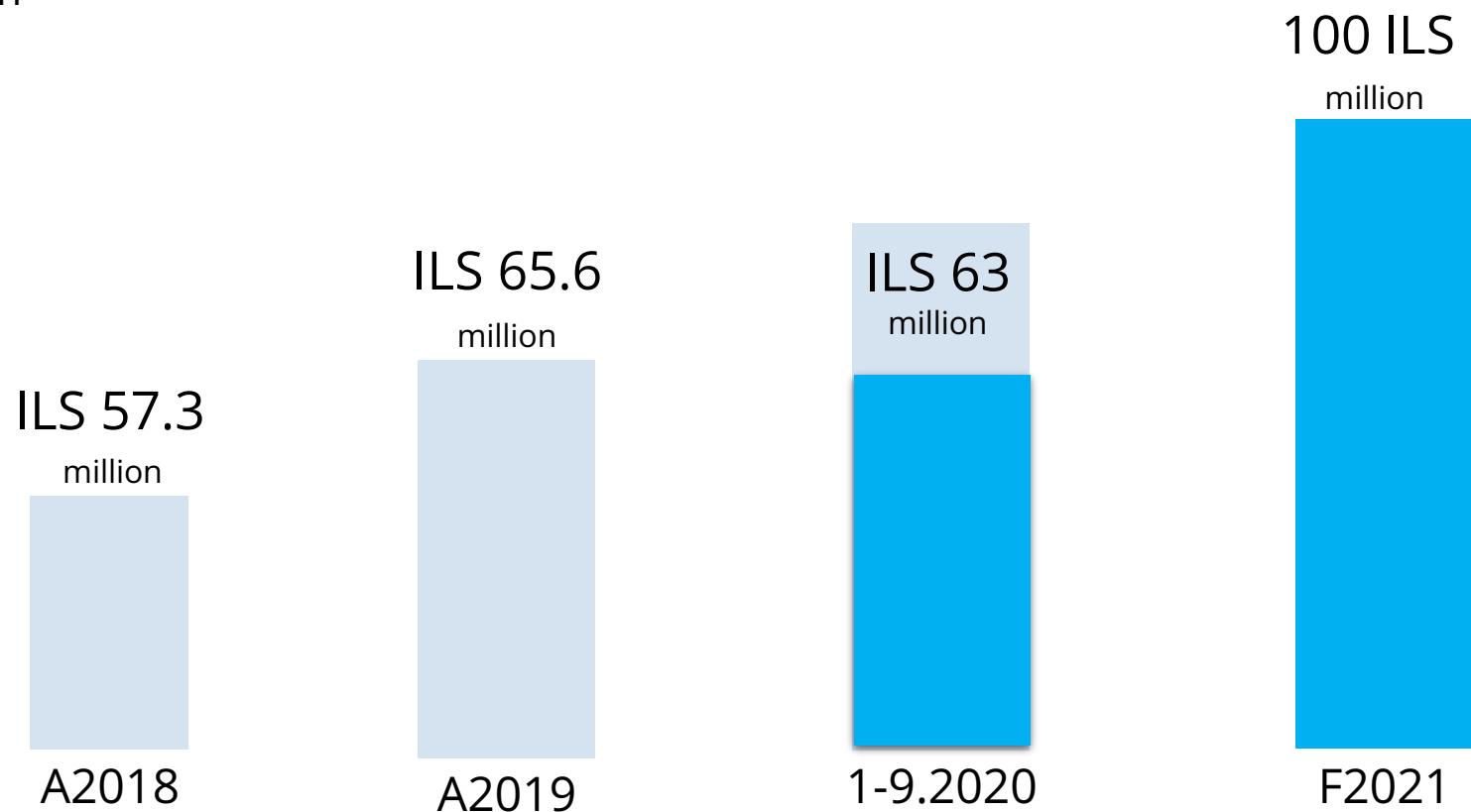
Cash ILS 187 million

Equity ILS 286 million

Debt ILS 0.5 million

100 plan before the impact of IFRS16

As part of our long-range growth plan, the Company's management estimates that by 2021, the adjusted **EBITDA** from current operations in Israel is expected to reach about ILS 100 million and the operating profit is expected to total ILS 64 million



Growth engines

- Expanding Home Care services
- Continued growth in Digital Health and Telemedicine activities
- Growth in our activities with HMOs and hospitals
- Developing additional SLAs with insurance companies
- Medical cannabis activities
- Acquisitions in Israel that support the Group's growth strategy
- Acquisition of operations abroad to support the Group's strategy

Financial Executive Summary



Strong financial performance

The Company has a consistent track record of delivering strong and stable financial performance



Diversification

Future growth will be fueled by all three divisions



Responsible Approach

The Company is not leveraged and invests responsibly. The Company strengthened its capital structure last year.



Capital allocation priorities

Investing for continued growth and maximizing value to our shareholders

Capital Allocation Strategy For Growth



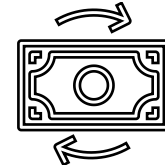
Reinvest for growth

Investing in processes and ventures that lead to organic growth and generate higher profits



Acquisitions

Acquisitions that support our current strategies



Returns to our shareholders

Dividend policy – 70% of the net profit

Thanks

