

Novolog Group Presentation

March 2021



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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

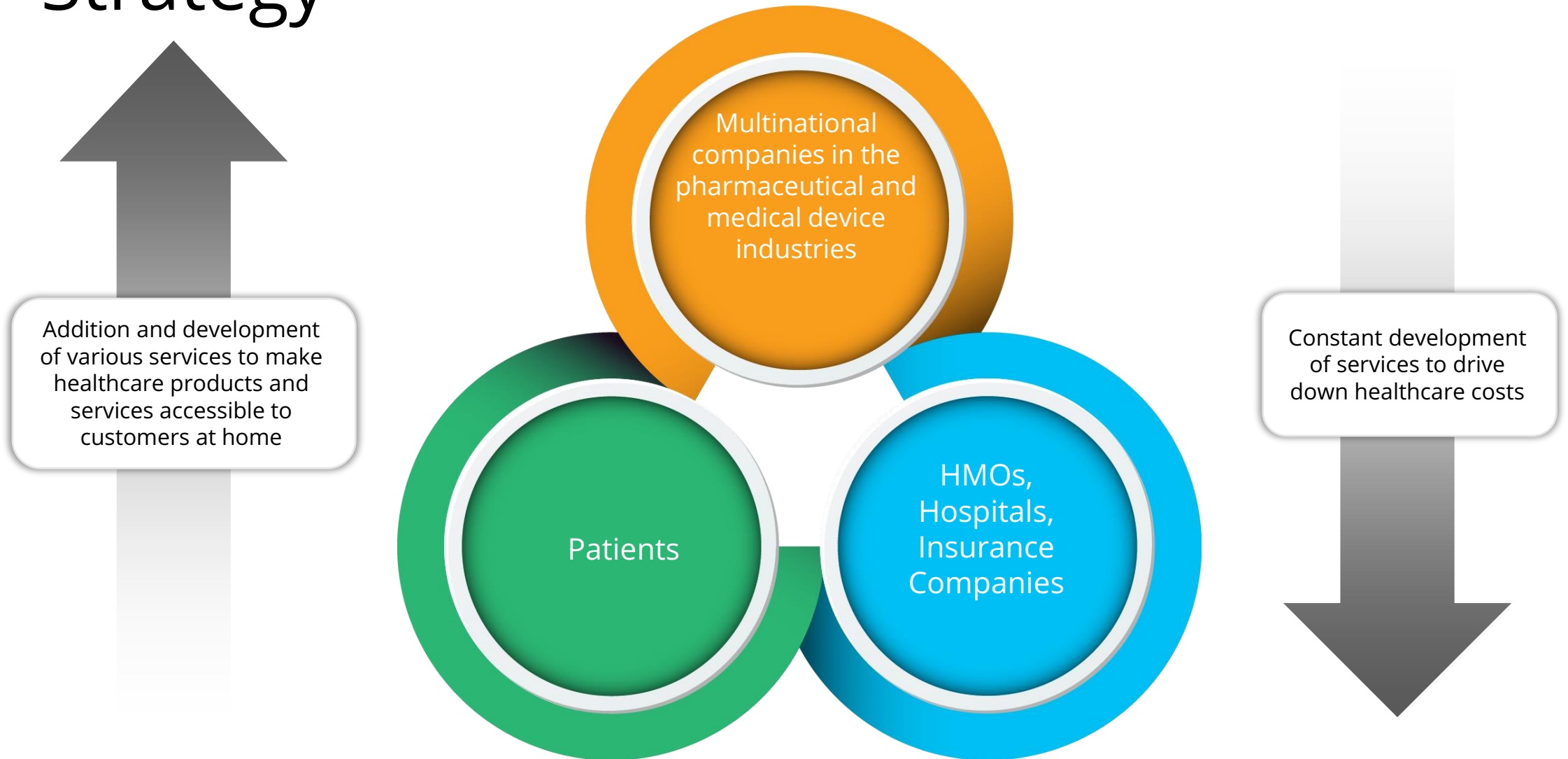


- Dividend distribution policy – 70% of the net profit



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

Strategy



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

Logistics and related services

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

Novolog logistics - 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



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



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

Infomed - 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



Recent Developments

- In October 2020, a transaction for the acquisition of 51% of the shares of Salus Ltd. was consummated
- The Logistics Division's revenues & profit increased during the report period, which derived from an increase in pharmaceutical sales and in commissions
- Growth in the Health care Services Division's revenues and profit compared to the corresponding period last year from existing activities and from the consolidation of Salus company from the fourth quarter of 2020
- In January 2021, the company raised capital in the amount of ILS 120 million
- In March 2021, the company entered into an agreement to acquire 75% of the shares of American Medical Laboratories (Israel) Ltd (hereinafter - AML)
- In March 2021, the company entered into an agreement to acquire 20% of the shares of Medflex GmbH (hereinafter - Medflex)
- In March 2021, the Company's Board of Directors approved a dividend payment to the company's shareholders at the sum of ILS 16 million, as a supplement to the dividend in the total amount of ILS 28 million for the year 2020

AML

- AML is the largest private medical laboratory in Israel, which provides full laboratory services to Israeli medical institutions and to private patients. AML also provides comprehensive laboratory services for medical research purposes to the Israeli and international medical and biotech industries
- Most of the medical laboratories in Israel are laboratories that operate in hospitals or in the HMO'S. About 50 of the laboratories are private laboratories, most of them small and engaged in a narrow and focused laboratory field.
- AML Israel additional provides clinical laboratory testing services to Israeli medical institutions, private walk-patients, and comprehensive central laboratory services for clinical trials to the international and Israeli pharmaceutical and biotechnology industries. AML has global alliances with major international central labs
- All medical laboratories are required to have the recognition of the Ministry of Health in order to operate, provided that they have passed the assessment of the Department of Laboratories and are subject to all their professional employees being licensed as medical laboratory workers

Medflex

- Medflex is a fast-growing telemedicine company based in Konstanz, Germany. The certified medical messenger and video consultation service enables doctors and other health professionals to communicate with patients and among each other through one seamless, intuitive, and secure platform. Medflex offers both asynchronous messaging, video calls and video consultations. Its reimbursable video consultation solution is end-to-end encrypted and certified according to the guidelines by the association of Statutory Health Insurance Physicians (KBV)
- The health sector in Germany is the largest of its kind in Europe and is considered one of the most promising markets with high growth-potential globally. The national expenditure on health services in Germany is 400 billion euros. The health sector in Germany includes 1,900 hospitals, 160,000 doctors, 28,000 psychotherapists and 20,000 pharmacies that serve a population of 83 million people. In 2019, the German parliament passed the Digital Care Act (DVG) to accelerate digitalization and innovation within the German healthcare market. The act also paves the way to broaden usage and reimbursable of digital health applications, such as medflex' telemedicine solution
- The last year has led to a steep increase in the usage of video consultations among physicians. Thus, telehealth has rapidly evolved from a nice-to-have into a necessity for doctors as well as patients. Driven by this experience, industry experts project that spending for digital products and services will reach 12% of the total healthcare budget 57 billion euros in 2025

Result Overview

Q4 2020



Results including IFRS16

Q4 2020

(ILS millions)

	Q4 2020	Q4 2019	% change
Revenues	273.8	225.1	21.6%
Gross Profit	36.1	26.1	38.1%
Operating Profit	14.4	9.2	56.0%
Net Profit	8.3	5.7	46.3%
Adjusted EBITDA (*)	27.1	21.4	26.8%

Gross Profit +38%

Operating Profit +56%

Adjusted EBITDA +27%

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

Results including IFRS16 2020

(ILS millions)

	2020	2019	% change
Revenues	1,133.6	1,004.1	12.9%
Gross Profit	129.3	98.6	31.1%
Operating Profit	61.1	33.1	84.8%
Net Profit	40.6	10.1	300.1%
Adjusted EBITDA (*)	105.2	86.1	22.1%

Gross Profit +31%

Operating Profit +85%

Adjusted EBITDA +22%

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

Results excluding IFRS16

Q4 2020

(ILS millions)

	Q4 2020	Q4 2019	% change
Revenues	273.8	225.1	21.6%
Gross Profit	35.2	25.0	40.9%
Operating Profit	13.9	8.9	56.1%
Net Profit	9.1	6.7	36.4%
Adjusted EBITDA (*)	21.8	16.3	34.3%

Gross Profit +41%

Operating Profit +56%

Adjusted EBITDA +34%

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

Results excluding IFRS16 2020

(ILS millions)

	2020	2019	% change
Revenues	1,133.6	1,004.1	12.9%
Gross Profit	128.8	97.4	32.2%
Operating Profit	54.7	31.7	72.4%
Net Profit	40.2	14.2	182.9%
Adjusted EBITDA (*)	84.8	65.6	29.3%

Gross Profit +32%

Operating Profit +72%

Adjusted EBITDA +29%

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

Results by Segment excluding IFRS16

Q4 2020

(ILS millions)

	Revenues			Adjusted EBITDA		
	Q4 2020	Q4 2019	%	Q4 2020	Q4 2019	%
Logistics	239.1	200.5	19%	13.7	9.7	40%
Health Care	36.1	21.6	67%	5.9	4.3	40%
Digital Health	6.1	6.1	1%	2.2	2.3	(3%)
Intercompany Transactions	(7.5)	(3.1)		-	-	
Total	273.8	225.1	22%	21.8	16.3	34%

Results by Segment excluding IFRS16

2020

(ILS millions)

	Revenues			Adjusted EBITDA		
	2020	2019	%	2020	2019	%
Logistics	1,005.3	923.2	9%	53.8	45.5	18%
Health Care	121.5	72.9	67%	23.2	14.2	64%
Digital Health	22.8	15.2	50%	7.8	5.9	32%
Intercompany Transactions	(16.0)	(7.2)		-	-	
Total	1,133.6	1,004.1	13%	84.8	65.6	2298%

Balance Sheet including IFRS16

Q4 2020

(ILS millions)

	31/12/2020	31/12/2019
Cash	176	185
Current assets	1,708	1,675
Non-current assets	479	475
Current liabilities	1,734	1,713
Non-current liabilities	157	173
Equity	296	264
Total Assets	2,187	2,150

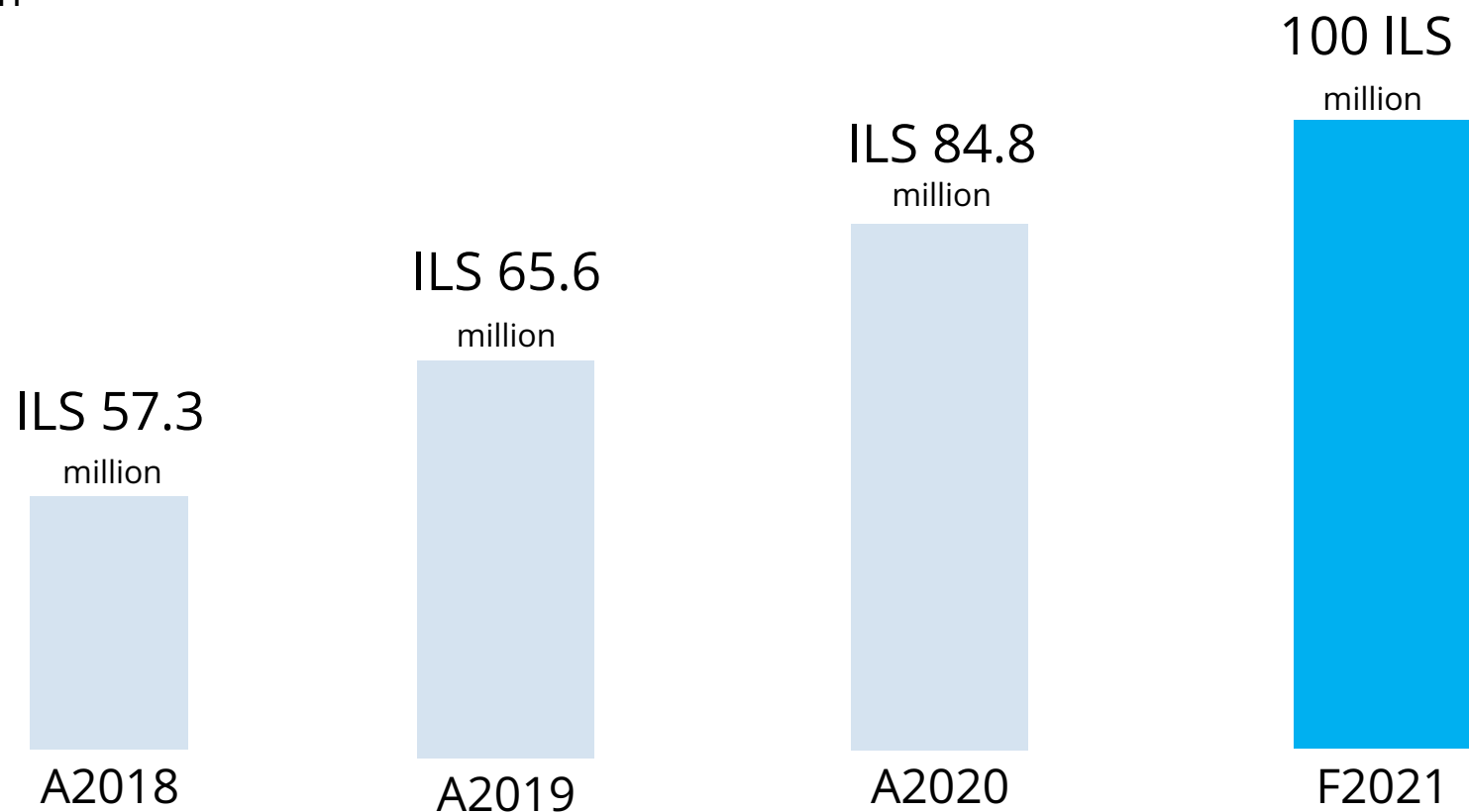
Cash ILS 176 million

Equity ILS 296 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
- Growth in our activities with HMOs and hospitals
- Expanding services to private clients and providing services in mobile clinics
- Continued growth in Digital Health and Telemedicine activities
- Medical cannabis activities
- Developing additional SLAs with insurance companies
- Acquisition of operations in Israel and 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



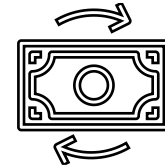
Reinvest for growth

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

