

Novolog Group Presentation

May 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

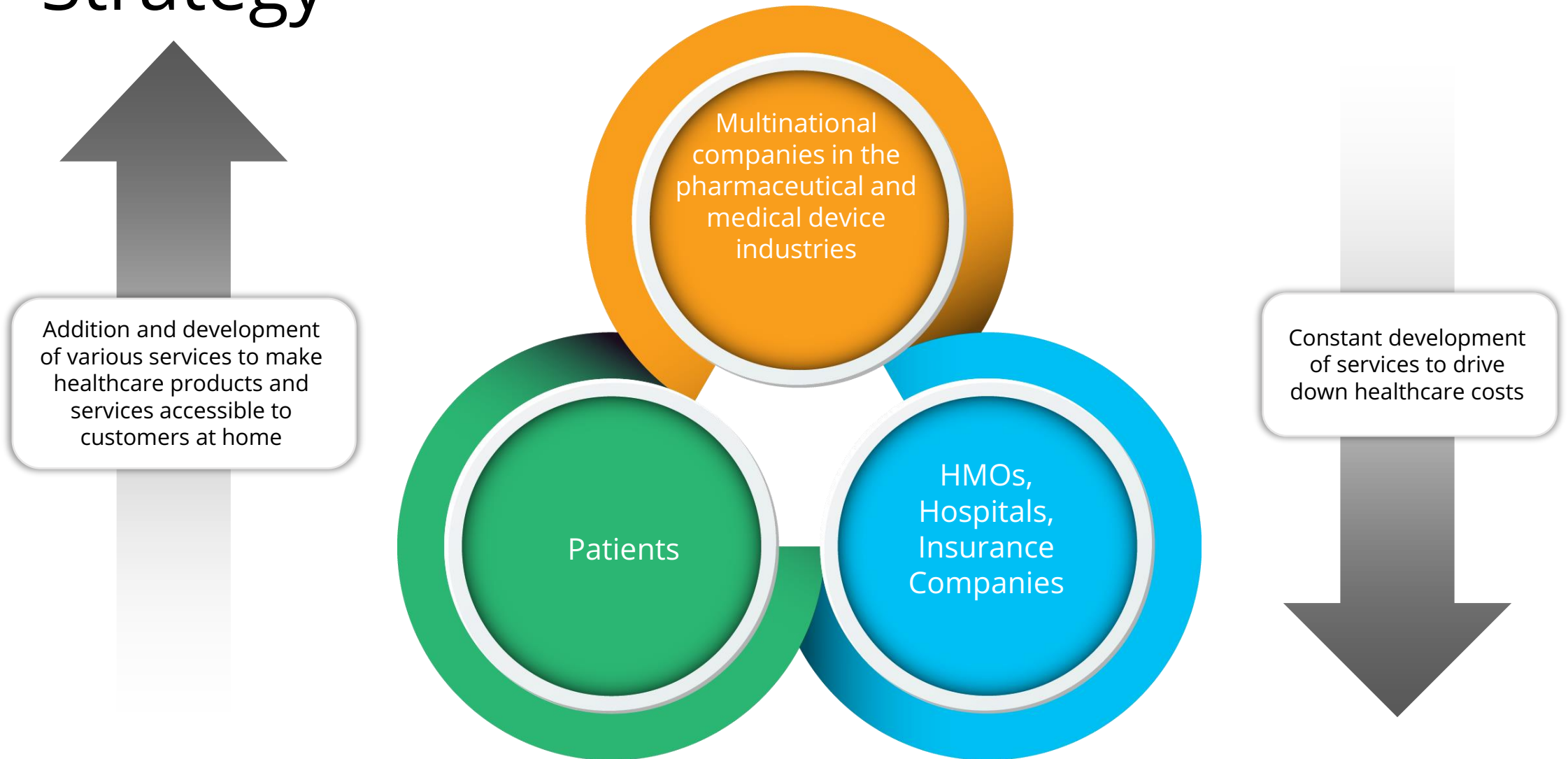


- Dividend distribution policy – 70% of the net profit



- 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

AML - The largest private medical laboratory in Israel



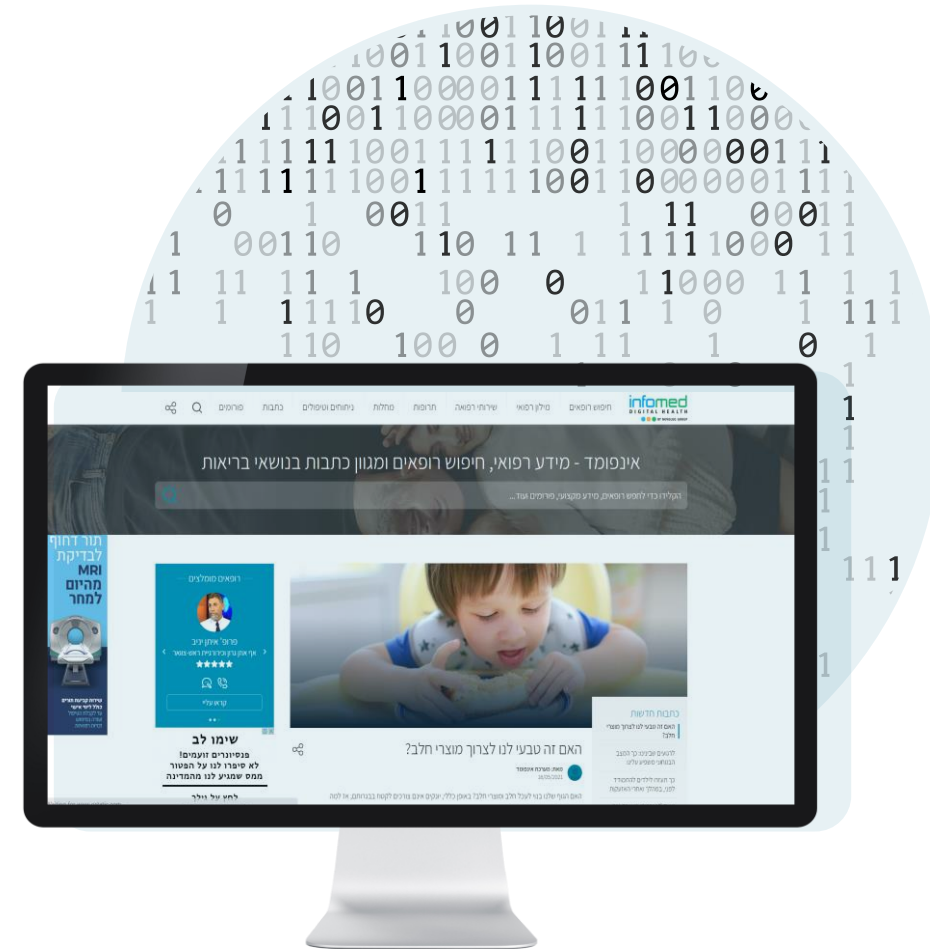
Digital Health

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

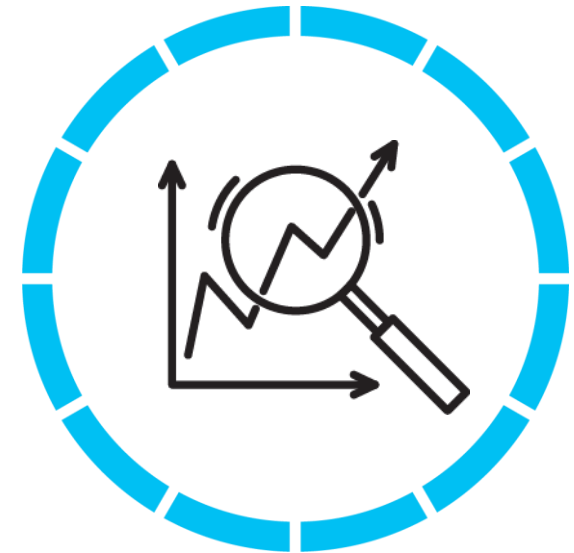


Recent Developments

- Growth in the Logistics Division's revenues and profit compared to the corresponding period last year, which derived from an increase in all the division's activities
- Growth in the Health care Services Division's revenues and profit compared to the corresponding period last year, which derived from existing activities and from the consolidation of Salus company since the fourth quarter of 2020
- Slowdown of the Digital Health Division's growth was primarily driven by Infomed's weakness
- In January 2021, the company raised capital in the amount of NIS 120 million
- In March 2021, the company entered into an agreement to acquire 75% of the shares of American Medical Laboratories (Israel) Ltd (AML)
- In March 2021, the company entered into an agreement to acquire 20% of the shares of Medflex GmbH, 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
- In March 2021, the Company's Board of Directors approved a dividend payment to the company's shareholders at the sum of NIS 16 million, as a supplement to the dividend in the total amount of NIS 28 million for the year 2020

Result Overview

Q1 2021



Results including IFRS16

Q1 2021

(NIS millions)

	Q1 2021	Q1 2020	% change
Revenues	316.1	302.1	4.6%
Gross Profit	37.8	30.7	23.0%
Operating Profit (*)	19.2	18.3	4.4%
Net Profit (*)	13.5	13.4	0.8%
Adjusted EBITDA (**)	30.3	25.1	20.6%

Gross Profit +23%

Operating Profit +4%

Adjusted EBITDA +21%

(*) In the first quarter of 2020, a non-recurring capital gain of NIS 4 million was recognized as a result of IFRS16. The operating profit after neutralizing the non-recurring capital gain increased by NIS 4.2 million, an increase of 29.6%. The net profit after neutralizing the non-recurring capital gain increased by NIS 3.2 million, an increase of 31%

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

Results excluding IFRS16

Q1 2021

(NIS millions)

	Q1 2021	Q1 2020	% change
Revenues	316.1	302.1	4.6%
Gross Profit	37.6	30.0	25.5%
Operating Profit	17.6	13.2	33.7%
Net Profit	13.3	10.6	26.5%
Adjusted EBITDA (*)	25.0	20.1	24.4%

Gross Profit +26%

Operating Profit +34%

Adjusted EBITDA +24%

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

Results by Segment excluding IFRS16

Q1 2021

(NIS millions)

	Revenues			Adjusted EBITDA		
	Q1 2021	Q1 2020	%	Q1 2021	Q1 2020	%
Logistics	286.8	280.2	2%	17.0	13.3	28%
Health Care (*)	27.3	18.8	45%	6.4	4.6	38%
Digital Health	6.1	6.0	2%	1.6	2.2	(27%)
Intercompany Transactions	(4.1)	(2.9)		-	-	
Total	316.1	302.1	5%	25.0	20.1	24%

(*) Salus company is consolidated as of the fourth quarter of 2020

Balance Sheet including IFRS16

Q1 2021

(NIS millions)

	31/03/2021	31/12/2020
Cash	262	176
Current assets	1,858	1,708
Non-current assets	501	479
Current liabilities	1,792	1,734
Non-current liabilities	153	157
Equity	414	296
Total Assets	2,359	2,187

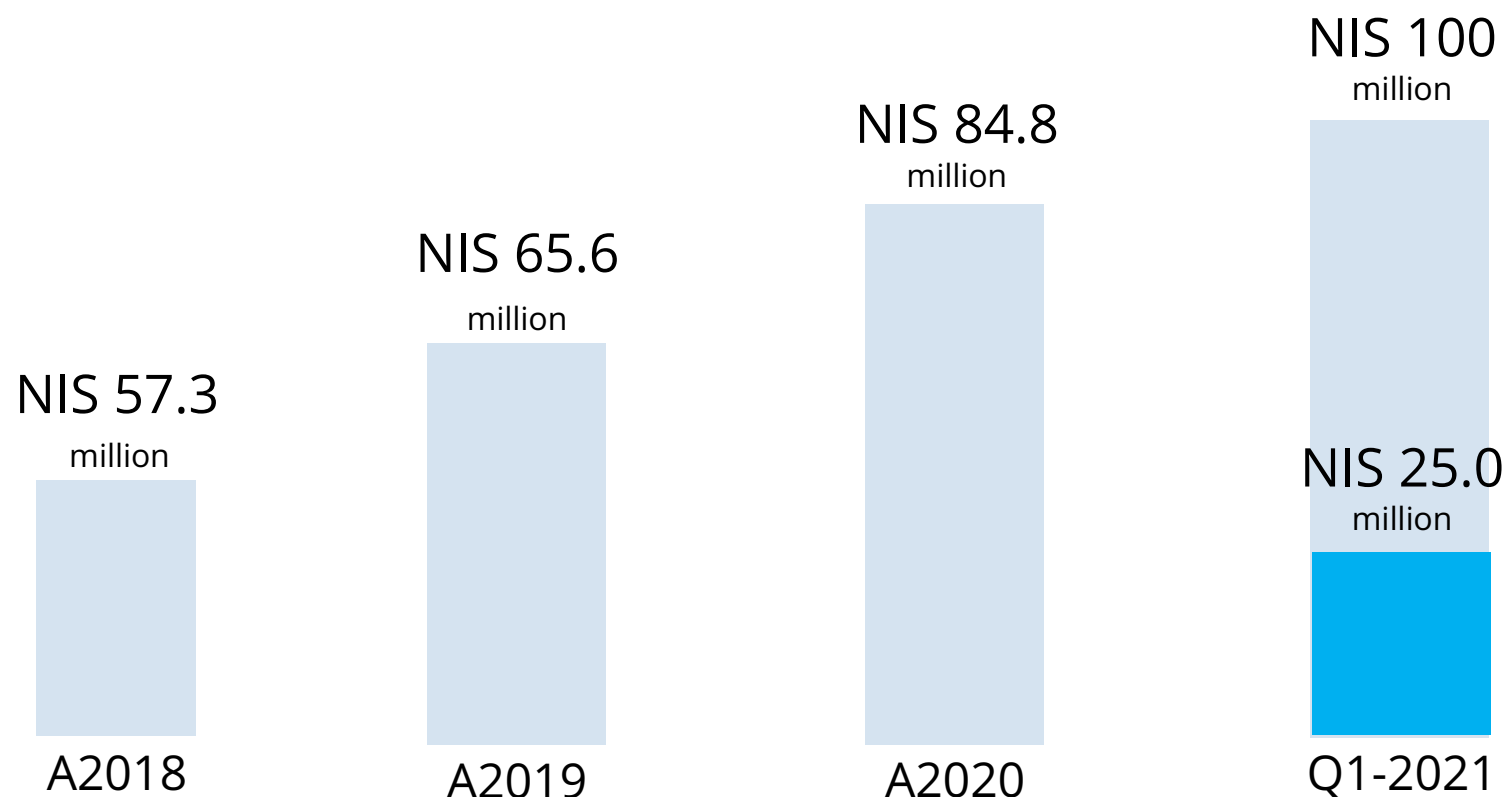
Cash NIS 262 million

Equity NIS 414 million

Debt NIS 0.5 million

100 plan before the impact of IFRS16

As part of our long-range growth plan, we estimate that the Adjusted EBITDA from operations in Israel is expected to reach about NIS 100 million in 2021 and the operating profit is expected to reach at least NIS 64 million



Growth engines

- Expanding Home Care services
- Growth in activities with HMOs and hospitals
- Expanding services to private clients and providing services in mobile clinics
- Growth in Digital Health by increasing the digital services for customers
- 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



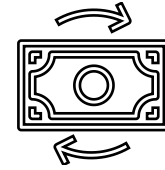
Reinvest for growth

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



Acquisitions

Acquisitions that support our strategies



Returns to our shareholders

Dividend policy – 70% of the net profit

Thanks

