

Presentation to the capital market Q3-2024

Accessible

Slide 1 - Header



Israel's Construction & Infrastructure Company

Build the Future

Q3 - 2024

Slide 2 - Disclaimer

This presentation was prepared by Danya Cebus Ltd. as a general overview of the company and the companies in the Group (the "Company"). The presentation does not constitute an offer for investment ' the purchase of securities or an invitation to receive such offers. In particular, it does not constitute a "public offer" or a "public sale" of any kind. This presentation does not purport to encompass or contain all information that may be relevant for the purpose of making any decision regarding investment in the Company's securities and it does not replace the collection and analysis of independent information. The presentation has been prepared for a convenient and concise overview of the company and its activities and does not replace the need to review the reports published or to be published by the company, especially the company's periodic report for 2023 which was published on March 7, 2024, and the quarterly report as of September 30, 2024, which was published in tandem with this presentation. The information contained in this presentation is incomplete and everything stated in it is subject to what is stated in the relevant reports of the company. Furthermore, this presentation does not replace an independent examination and personal advice, nor does it constitute a substitute for investment advice by a licensed investment advisor, who takes into account the data and special needs of each person. In this presentation, the Company included forecasts, plans, assessments and other information relating to future events or matters, which constitute forward-looking information, as defined in the Securities Law, 1968. The realization or non-realization of the forward-looking information will be affected, inter alia, by risk factors that characterize the Company's operations, as well as by developments in the economic environment and external factors affecting the Company's operations, which cannot be assessed in advance and are beyond the Company's control. Thus, readers of this presentation are hereby warned that the actual results and achievements of the Company in the future may be materially different from those presented in the forward-looking information presented in this presentation. In addition, forward-looking forecasts and estimates are based on data and information held by the Company at the time of the presentation and the Company is not obligated to update or change any such forecast and / or assessment to reflect events or circumstances that will apply after the presentation date.

Slide 3

Denya - a strong supporter on the home front!

The Swords of Iron War

- At pick – 250 of the company's employees under emergency call up order (tzav 8)
- Support for the families of the mobilized employees
- Contribution and supply of military equipment
- Training of combat units at the company's sites
- Countless hours of volunteering by the company's employees in preparing sandwiches for front-line soldiers
- Erecting shelters, protective walls, shooting positions and blocks by the subsidiary Cebus
- Supply of warehouses and office containers
- Adoption of an additional military unit and continued support for the Artillery Brigade which has been supported for the past five years

Slide 4

Denya is the Leading Construction & Infrastructure Company in Israel for more than 80 years

- **Thousands** of apartments under development in the last years
- **Tens of thousands** of residential units delivered in the past decade
- **Millions** of sqm of commercial, public and office spaces constructed in the past decade
- **Hundreds** of roads & bridges built
- Concession projects (**PPP**)
- **100** projects simultaneously
- **Over 2,300** employees
- Industrial facilities
- Geotechnics and ground basing
- Electro-mechanics & air conditioning systems
- International activity in **3 countries**

Slide 5 – Building Israel

- **100** active projects in progress
- **40** cities
- NIS **13.2** Billion Backlog

Pie graph - 100 projects in progress by regions

| Region | Projects in progress |
|---------------|-----------------------------|
| Center | 73 |
| Sharon | 15 |
| North | 7 |
| South | 5 |

Slide 6 - Financial Strength - as of September 30, 2024

- NIS **13.2** Billion Backlog
- NIS **4.4** Billion Period turnover
- NIS **130** Million Net profit
- NIS **22** Million Financing income, Net
- NIS **120** Million dividends announced during the period 1-9/24
- NIS **631** Million in cash, restricted deposits and marketable securities
- **0** Corporate Debt
- NIS **3.1** Billion Market cap as of the reporting date

Slide 7 – Equity and dividend distribution (In million NIS)

BAR graph – Group’s Dividend

| | For 2023 profit | For 2022 profit | For 2021 profit |
|-----------------|------------------------|------------------------|------------------------|
| Dividend | 160 | 135 | 90 |

Under the graph, accordingly by periods, net profit and dividend yield data:

| | For 2023 profit | For 2022 profit | For 2021 profit |
|-----------------------|------------------------|------------------------|------------------------|
| Net profit | 196 | 175 | 201 |
| Dividend yield | 5% | 5% | 3% |

BAR graph – Equity

| Period | Equity |
|---------------|---------------|
| 2021 | 629 |
| 2022 | 705 |
| 2023 | 759 |

The Company maintains a dividend distribution policy of at least 35% of the annual net profit, subject to distribution tests and the approval of the Board of Directors.

The total dividend distributed for 2021-2023 – **NIS 385 million**.

The total dividend distributed for 2021-2023 for the net profit **ca. 65%**.

Slide 8 - Financial Growth (In NIS million)

BAR graph - Turnover

| Period | NIS Million |
|----------------|--------------------|
| 2021 | 4,060 |
| 2022 | 4,486 |
| 2023 | 5,415 |
| 1-9/23 | 4,123 |
| 1-9/24 | 4,399 |
| Q3-2023 | 1,416 |
| Q3-2024 | 1,619 |

BAR graph - EBITDA

| Period | NIS Million |
|----------------|--------------------|
| 2021 | 218 |
| 2022 | 288 |
| 2023 | 298 |
| 1-9/23 | 241 |
| 1-9/24 | 209 |
| Q3-2023 | 79 |
| Q3-2024 | 76 |

BAR graph – Net Profit

| Period | NIS Million |
|----------------|--------------------|
| 2021 | 132 |
| 2022 | 175 |
| 2023 | 196 |
| 1-9/23 | 155 |
| 1-9/24 | 130 |
| Q3-2023 | 50 |
| Q3-2024 | 45 |

BAR graph –Backlog

| Period | Residential Construction | Non-Residential Construction | Infrastructure and Concessions | Residential Development & Construction | Total |
|----------------|---------------------------------|-------------------------------------|---------------------------------------|---|---------------|
| 2021 | 5,323 | 2,043 | 2,430 | 425 | 10,221 |
| 2022 | 5,901 | 3,203 | 2,384 | 94 | 11,581 |
| 2023 | 6,362 | 4,289 | 2,523 | 139 | 13,313 |
| 30.9.24 | 6,866 | 4,133 | 2,131 | 35 | 13,165 |

Slide 9 - Consolidated Orders backlog – by Activities segments (Million NIS)

| | Backlog 30.9.24 | Backlog 2023 | Backlog 2022 | Backlog 2021 |
|--|------------------------|---------------------|---------------------|---------------------|
| Residential Construction | 6,866 | 6,362 | 5,901 | 5,323 |
| Non-Residential Construction | 4,133 | 4,289 | 3,203 | 2,043 |
| Infrastructure and Concessions | 2,131 | 2,523 | 2,384 | 2,430 |
| Residential Development and Construction | 35 | 139 | 94 | 425 |
| Total Backlog as per the Financial Statements | 13,165 | 13,313 | 11,581 | 10,221 |

* The backlog during the reporting period does not include the Company's share in the EPC Contractor in the Jerusalem Light Rail Blue Line project

Slide 10 - Four main activities segments

- Infrastructure and Concessions
- Non-Residential Construction
- Residential Construction
- Residential Development and Construction

Slide 11 - Synergistic Revenue Structure enabling Distribution of Risks and Growth

Pie graph - Turnover by Activities Segments

Turnover in 1-9/2024 - approx. NIS 4.4 Billion

| Activities Segment | Revenue distribution |
|--|-----------------------------|
| Residential Construction | 39% |
| Non-Residential Construction | 38% |
| Infrastructure and Concessions | 23% |
| Residential Development & Construction | 0% |

Pie graph - Backlog by Activities Segments

Backlog as of 30.9.24 – NIS 13.2 Billion

| Activities Segment | Backlog distribution |
|--|-----------------------------|
| Residential Construction | 52% |
| Non-Residential Construction | 32% |
| Infrastructure and Concessions | 16% |
| Residential Development & Construction | 0% |

Slide 12 – Residential Construction - Backlog, Turnover & Profitability **(Million NIS)**

Turnover – Bar Graph

| Period | Turnover |
|----------------|-----------------|
| 2022 | 1,635 |
| 2023 | 2,225 |
| 1-9/23 | 1,724 |
| 1-9/24 | 1,723 |
| Q3-2023 | 583 |
| Q3-2024 | 601 |

Gross Profit – Bar Graph

| Period | Gross Profit |
|----------------|---------------------|
| 2022 | 74 |
| 2023 | 95 |
| 1-9/23 | 74 |
| 1-9/24 | 71 |
| Q3-2023 | 25 |
| Q3-2024 | 22 |

Backlog – Bar Graph

| Period | Backlog |
|----------------|----------------|
| 2022 | 5,901 |
| 2023 | 6,362 |
| 30.9.23 | 6,829 |
| 30.9.24 | 6,866 |

Slide 13 – Residential Construction – Significant Projects

| Name of the Project | Estimated Financial Value (NIS Million) | Completion Rate | Estimated Completion |
|---|--|------------------------|-----------------------------|
| The South Gate, Jerusalem | 465 | 1% | Q2, 2028 |
| Carmay Hanadiv – Phases A+B | 523 | 62% | Q1, 2025 |
| Carasso Jerusalem – Demolition and reconstruction | 438 | 0% | Q4, 2028 |
| DUO – Semel south * | 474 | 30% | Q2, 2027 |
| Upper House – Yad Eliyahu | 669 | 83% | Q1, 2025 |
| Aura – Ramat Chen | 611 | 26% | Q4, 2026 |
| Bat Yam Moment – Ha'Shvatim | 787 | 51% | Q1, 2026 |

* Denya's Share

Slide 14 – Residential Construction – Significant Projects (Cont.)

| Name of the Project | Estimated Financial Value (NIS Million) | Completion Rate | Estimated Completion Date |
|-----------------------------------|--|------------------------|----------------------------------|
| Aura Ramat Ha'Sharon – Phase B | 446 | 7% | Q2, 2027 |
| Gindi Towers – Tel Aviv - Tower 4 | 534 | 83% | Q1, 2025 |
| Nofey Ben Shemen | 433 | 93% | Q4, 2024 |
| Gindi Ramat Efal | 785 | 1% | Q1, 2027 |

Slide 15 - Non-Residential Construction - Backlog, Turnover & Profitability (Million NIS)

Turnover – Bar Graph

| Period | Turnover |
|----------------|-----------------|
| 2022 | 1,350 |
| 2023 | 1,851 |
| 1-9/23 | 1,386 |
| 1-9/24 | 1,655 |
| Q3-2023 | 502 |
| Q3-2024 | 619 |

Gross Profit – Bar Graph

| Period | Gross Profit |
|----------------|---------------------|
| 2022 | 77 |
| 2023 | 92 |
| 1-9/23 | 66 |
| 1-9/24 | 81 |
| Q3-2023 | 22 |
| Q3-2024 | 30 |

Backlog – Bar Graph

| Period | Backlog |
|----------------|----------------|
| 2022 | 3,203 |
| 2023 | 4,289 |
| 30.9.23 | 4,223 |
| 30.9.24 | 4,133 |

Slide 16 - Non-Residential Construction – Significant Projects

| Name of the Project | Estimated Financial Value (NIS Million) | Completion Rate | Estimated Completion |
|--|--|------------------------|-----------------------------|
| Regional Government Headquarters - Jerusalem | 587 | 77% | Q1, 2025 |
| TOHA 2 | 580 | 53% | Q4, 2026 |
| Ministry of Justice | 588 | 96% | Q1, 2025 |
| LandMark * | 410 | 79% | Q4, 2026 |
| Complex 1000, Rishon Lezion | 488 | 16% | Q3, 2026 |
| AD 120 - Kiryat Motzkin | 470 | 0% | Q2, 2028 |

* Denya's Share

Slide 17 - Infrastructure and Concessions - Backlog, Turnover & Profitability

(Million NIS)

Turnover – Bar Graph

| Period | Turnover |
|----------------|-----------------|
| 2022 | 1,159 |
| 2023 | 1,255 |
| 1-9/23 | 963 |
| 1-9/24 | 1,002 |
| Q3-2023 | 328 |
| Q3-2024 | 396 |

Gross Profit – Bar Graph

| Period | Gross Profit |
|----------------|---------------------|
| 2022 | 78 |
| 2023 | 80 |
| 1-9/23 | 72 |
| 1-9/24 | 30 |
| Q3-2023 | 26 |
| Q3-2024 | 14 |

Backlog – Bar Graph

| Period | Backlog |
|----------------|----------------|
| 2022 | 2,384 |
| 2023 | 2,523 |
| 30.9.23 | 2,358 |
| 30.9.24 | 2,131 |

Slide 18 – Infrastructure and Concessions – Significant Projects

- **Fourth Track - Ayalon section**
Estimated Financial Value – NIS 490 Million
Completion Rate – 14%
Estimated Completion – Q2, 2029

- **Eastern Track - Section B**
Estimated Financial Value – NIS 814 Million
Completion Rate – 99%

Estimated Completion – Q1, 2025

- **Fast Lanes - Shefayim parking lot & 541 Road**

Estimated Financial Value – NIS 998 Million

Completion Rate – 81%

Estimated Completion – Q2, 2025

Share in the Concessionaire – 25%

Share in the EPC – 50%

- **HaYovel Lines**

Effective share in the Concessionaire – 15%

Share in the O&M – 100%

Concession period – until 2031

- **Light Rail Jerusalem – Blue Line**

Share in the Concessionaire – 50%

Development and Financial Closing Phase

Announced as Successful Bidder – 09/2023

Slide 19 - Residential Development & Construction

Projects Under Construction

| Project Name | Location | Country | Company's Share | Total No. of Units | Sold (as of the reporting date) | Sold during the quarter | Units for sale (as of the reporting date) |
|---------------------------------|-----------------|----------------|------------------------|---------------------------|--|--------------------------------|--|
| Denya Spring View – phase A+B | Warsaw | Poland | 100% | 46 | 44 | 5 | 2 |
| Denya Spring View – phase C | Warsaw | Poland | 100% | 26 | 9 | 9 | 17 |
| Denya Spring View – phase D+E+F | Warsaw | Poland | 100% | 76 | 0 | 0 | 76 |
| Denya Forest Bloc H | Timisoara | Romania | 100% | 116 | 110 | 17 | 6 |
| Denya Forest Bloc D | Timisoara | Romania | 100% | 116 | 0 | 0 | 116 |
| Denya Forest Bloc G | Timisoara | Romania | 100% | 116 | 0 | 0 | 116 |
| Denya Lake | Bucharest | Romania | 100% | 87 | 14 | 9 | 73 |
| Total | | | | 583 | 177 | 40 | 406 |

Completed projects

| Project Name | Location | Country | Company's Share | Total No. of Units | Sold (as of the reporting date) | Sold during the quarter | Units for sale (as of the reporting date) |
|---------------------|-----------------|----------------|------------------------|---------------------------|--|--------------------------------|--|
| Unik-Top | Rishon Le'zion | Israel | 50% | 377 | 371 | 1 | 6 |
| Unik Urban | Be'er Ya'akov | Israel | 50% | 98 | 97 | 0 | 1 |
| Denya Forest Bloc I | Timisoara | Romania | 100% | 116 | 110 | 2 | 6 |
| <u>Total</u> | - | - | - | 591 | 578 | 3 | 13 |

Slide 20 - Residential Development & Construction - Significant Projects

▪ **Denya Spring View**

A plot of land located in Swomin village, south of Warsaw, for construction of 148 residential units

- Location: Warsaw
- Project Scope: 148 Residential Units
- Land cost: NIS 11 Million
- Under Construction

(Project Under Construction)

▪ **Denya Lake**

A plot of land in Pipera neighborhood for construction of approx. 87 townhouses

- Location: Bucharest
- Project Scope: 87 Residential Units
- Land cost: NIS 21 Million
- Under Construction

(Project Under Construction)

▪ **Denya Pipera**

Construction of 800 residential units in 48 buildings next to the American School in Pipera neighborhood

- Location: Bucharest
- Project Scope: 800 Residential Units
- Land cost: NIS 25 Million
- Zoning approval received

(Land Inventory)

- **Denya Corbeanca**

A plot of land located in Corbeanca neighborhood with a total area of 223 thousand sqm., for construction of approx. 350 townhouses

- Location: Bucharest
- Project Scope: 350 Residential Units
- Land cost: NIS 14 Million
- Zoning approval received

(Land Inventory)

- **Denya Forest - Bloc H**

Third building out of 5, 12 floors and 116 residential units. Construction commenced in 2022, scheduled for completion in 2024

- Location: Timisoara
- Project Scope: 116 Residential Units
- Land cost: NIS 3 Million
- Under Construction

(Project Under Construction)

- **Denya Forest - Bloc D**

Fourth building out of 5, 12 floors and 116 residential units. Construction commenced in 2024, scheduled for completion in 2025

- Location: Timisoara
- Project Scope: 116 Residential Units
- Land cost: NIS 4 Million
- Under Construction

(Project Under Construction)

- **Denya Forest - Bloc G**

Fifth building out of 5, 12 floors and 116 residential units. Construction commenced in 2024, scheduled for completion in 2026

- Location: Timisoara
- Project Scope: 116 Residential Units
- Land cost: NIS 4 Million
- Under Construction

(Project Under Construction)

Developer's Strengths

- Unleveraged land purchase
- Zero project debt
- Zero exposure to rising interest rates

Slide 21 - Balance Sheet Liabilities and Equity Capital – 30.9.2024 **(NIS Thousands)**

| | 30.9.2024 | 31.12.2023 |
|---------------------------|------------------|-------------------|
| Total Balance Sheet | 2,757,949 | 2,487,007 |
| Total Current Assets | 2,367,466 | 2,130,832 |
| Total Current Liabilities | 1,888,936 | 1,655,456 |
| Equity | 780,888 | 759,210 |