

Presentation to the capital market Q4-2024

Accessible

Slide 1 - Header



Build the Future

2024 Annual results

Slide 2 - Disclaimer

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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 Rimon
- 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 12.2** Billion Backlog

Pie graph - 100 projects in progress by regions

Region	Projects in progress
Center	59
North	8
South	7
Sharon	12
Jerusalem	14
Total	100

Slide 6 - Financial Strength - as of December 31, 2024

- **NIS 12.2** Billion Backlog - 2.3 Billion NIS - Entries subsequent to the reporting date
- **NIS 6.0** Billion Annual turnover
- **NIS 174** Million Net profit in 2024
- **NIS 28** Million Financing income, Net
- **NIS 160** Million dividends - Declared for 2024
- **NIS 935** Million in cash, restricted deposits and marketable securities
- **0** Corporate Debt
- **NIS 3.8** Billion Market cap as of the reporting date

Slide 7 - Financial Growth (In NIS million)

BAR graph - Turnover

Period	NIS Million
2021	4,060
2022	4,486
2023	5,415
2024	6,026

BAR graph - EBITDA

Period	NIS Million
2021	218
2022	288
2023	298

Period	NIS Million
2024	279

BAR graph – Net Profit

Period	NIS Million
2021	132
2022	175
2023	196
2024	174

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
2024	6,118	4,054	2,131	35	12,217

Slide 8 – Equity and dividend distribution (In million NIS)

BAR graph – Group's Dividend

	For 2022 profit	For 2023 profit	For 2024 profit
Dividend	135	160	160

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

	For 2022 profit	For 2023 profit	For 2024 profit
Net profit	175	196	174

BAR graph – Equity

Period	Equity
2022	705
2023	759
2024	767

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 2022-2024 – **NIS 455 million**.

The total dividend distributed for 2022-2024 for the net profit **ca. 70%**.

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

	Backlog 2024	Backlog 2023	Backlog 2022	Backlog 2021
Residential Construction	6,118	6,362	5,901	5,323
Non-Residential Construction	4,054	4,289	3,203	2,043
Infrastructure and Concessions	2,010	2,523	2,384	2,430
Residential Development and Construction	35	139	94	425
Total Backlog as per the Financial Statements	12,217	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 2024 - approx. NIS 6.0 Billion

Activities Segment	Revenue distribution
Residential Construction	39%
Non-Residential Construction	38%
Infrastructure and Concessions	22%
Residential Development & Construction	1%

Pie graph - Backlog by Activities Segments

Backlog as of 31.12.24 – NIS 12.2 Billion

Activities Segment	Backlog distribution
Residential Construction	50%
Non-Residential Construction	33%
Infrastructure and Concessions	17%
Residential Development & Construction	0%

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

Turnover – Bar Graph

Period	Turnover
2022	1,635
2023	2,225
2024	2,343

Gross Profit – Bar Graph

Period	Gross Profit
2022	74
2023	95
2024	92

Backlog – Bar Graph

Period	Backlog
2022	5,901
2023	6,362
2024	6,118

Slide 13 – Residential Construction – Significant Projects

Name of the Project	Estimated Financial Value (NIS Million)	Completion Rate	Estimated Completion
The South Gate, Jerusalem	465	3%	Q2, 2028
Carasso Jerusalem – Demolition and reconstruction	438	0%	Q1, 2029
DUO – Semel south *	481	36%	Q2, 2027
Upper House – Yad Eliyahu	670	88%	Q2, 2025
Aura – Ramat Chen	615	30%	Q4, 2026
Bat Yam Moment – Ha'Shvatim	794	60%	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	12%	Q2, 2027
Gindi Towers – Tel Aviv - Tower 4	547	87%	Q2, 2025
Carmay Hanadiv – Phases A+B	525	73%	Q3, 2025
Gindi Ramat Efal	607	4%	Q1, 2027

Slide 15 - Non-Residential Construction - Backlog, Turnover & Profitability

(Million NIS)

Turnover – Bar Graph

Period	Turnover
2022	1,350
2023	1,851
2024	2,293

Gross Profit – Bar Graph

Period	Gross Profit
2022	77
2023	92
2024	127

Backlog – Bar Graph

Period	Backlog
2022	3,203
2023	4,289
2024	4,054

Slide 16 - Non-Residential Construction – Significant Projects

Name of the Project	Estimated Financial Value (NIS Million)	Completion Rate	Estimated Completion
Government Headquarters - Jerusalem	588	81%	Q4, 2025
TOHA 2	585	66%	Q4, 2026
Ministry of Justice	590	97%	Q3, 2025
LandMark *	414	82%	Q3, 2027
Complex 1000, Rishon Lezion	492	21%	Q4, 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
2024	1,335

Gross Profit – Bar Graph

Period	Gross Profit
2022	78
2023	80
2024	25

Backlog – Bar Graph

Period	Backlog
2022	2,384
2023	2,523
2024	2,010

Slide 18 – Infrastructure and Concessions – Significant Projects

- **Fourth Track - Ayalon section**
 Estimated Financial Value – NIS 487 Million
 Completion Rate – 18%
 Estimated Completion – Q2, 2029

- **Fast Lanes - Shefayim parking lot & 541 Road**
 Estimated Financial Value – NIS 1,063 Million
 Completion Rate – 83%
 Estimated Completion – Q3, 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)	Units for sale (as of the reporting date)
Denya Spring View – phase A	Warsaw	Poland	100%	46	44	2
Denya Spring View – phase B	Warsaw	Poland	100%	51	12	39
Denya Spring View – phase C	Warsaw	Poland	100%	51	0	51
Denya Forest Bloc D	Timisoara	Romania	100%	116	26	90
Denya Forest Bloc G	Timisoara	Romania	100%	116	0	116
Denya Lake	Bucharest	Romania	100%	87	18	69
Total				467	100	367

Completed projects

Project Name	Location	Country	Company's Share	Total No. of Units	Sold (as of the reporting date)	Units for sale (as of the reporting date)
Unik-Top	Rishon Le'zion	Israel	50%	377	372	5
Unik Urban	Be'er Ya'akov	Israel	50%	98	97	1
Denya Forest Bloc I	Timisoara	Romania	100%	116	112	4
Denya Forest Bloc H	Timisoara	Romania	100%	116	113	3
_Total				707	694	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 87 townhouses

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

(Project Under Construction)

▪ Denya Pipera

Construction of 930 residential units in 49 buildings next to the American School in Pipera neighborhood

- Location: Bucharest
- Project Scope: 930 Residential Units
- Land cost: NIS 25 Million
- Zoning approval received

(Land Inventory)

- **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)

- **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)

Developer's Strengths

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

**Slide 21 - Balance Sheet Liabilities and Equity Capital –
31.12.2024**
(NIS Thousands)

	31.12.2024	31.12.2023
Total Balance Sheet	2,739,106	2,487,007
Total Current Assets	2,331,623	2,130,832
Total Current Liabilities	1,880,375	1,655,456
Equity	766,986	759,210

Slide 22 - Denya at the forefront to adjust Construction Input Indices

- The "Iron Swords" War leads to a **ban on employing Palestinian workers**
- The proportion of foreign workers is increasing, labor costs are rising, **execution pace and productivity are declining**
- The effects of the war **are not reflected in the rate of increase of the Construction Input Index**
- **Denya independently submitted petition to the High Court of Justice, demanding an update to the index**
- The Israel Central Bureau of Statistics published a **2.6% increase in the Construction Input Index in January**
- **Denya continues to pursue the index update as part of the High Court of Justice petition**

Slide 23 - Denya at the forefront of the effort for the index increase

- **Key arguments in the company's position**
 - The composition of construction expenses has not been updated and is based on a fixed basket from 2011
 - The change in labor costs due to the worker shortage and the shift in the workforce composition has not been reflected in the index
 - The index does not reflect the impact of the decline in labor productivity
 - The company's demand - **Immediate update of the index**
- **Publication of the CBS position - January 2025**
 - An index update was made with the aim of reflecting the changes that occurred in the construction sector following the outbreak of the "Iron Swords" war
 - The update applies to the composition of construction workers

- **Key gaps**
 - **The company expects an additional update of the indices in accordance with its claims**
 - **The index update was partially implemented in January, and the CBS is expected to address the update for previous periods**