

# **Presentation to the capital market Q2-2022**

## **Accessible**

### **Slide 1 - Header**



**Q2-2022**

### **Slide 2 - Disclaimer**

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### **Slide 3**

The Leading Construction and Infrastructure Company in Israel for more than 80 years

- **80** simultaneous projects
- **20** Km of tunnels
- **Hundreds** of bridges built
- **Hundreds** of Km of Roads paved
- **22,000** residential units delivered in the past decade
- **4** Million square meters of commercial, public, and office spaces built in the past decade
- **2,000** apartments under development
- **12** subsidiaries
- **3** factories
- **80** cranes and pumps owned
- **1,820** employees
- **4** countries

### **Slide 4 - Proven Financial Fortitude**

- NIS **2.1** Billion turnover in H1-2022
- NIS **81** Million profit from ongoing operations / net profit in H1-2022
- **45%** - Increase in profit with compare to same period last year
- NIS **60** Million NIS dividend distributed for the year 2022, summed up to 60 Million NIS (Including dividend that announced subsequent to the reporting date)
- NIS **11.3** Billion Orders backlog
- NIS **723** Million Cash, restricted deposits and marketable securities
- **0** Debt

## **Slide 5 - Financial Growth (In NIS million)**

The net profit of the company for the report period totaled approximately **NIS 40 Million**.

### **BAR graph - Profit from Ongoing Operations**

<b>Period</b>	<b>NIS Million</b>
<b>2019</b>	63
<b>2020</b>	105
<b>2021</b>	132
<b>H1-2021</b>	56
<b>H1-2022</b>	81
<b>Q1-2021</b>	28
<b>Q1-2022</b>	41

**Increase of 46% compared to the same period last year**

### **BAR graph - EBITDA**

<b>Period</b>	<b>NIS Million</b>
<b>2019</b>	84
<b>2020</b>	143
<b>2021</b>	218
<b>H1-2021</b>	95
<b>H1-2022</b>	137
<b>Q1-2021</b>	47
<b>Q1-2022</b>	71

**Increase of 51% compared to the same period last year**

### **BAR graph - Turnover**

<b>Period</b>	<b>NIS Million</b>
<b>2019</b>	3,365
<b>2020</b>	3,559
<b>2021</b>	4,060
<b>H1-2021</b>	1,926
<b>H1-2022</b>	2,102
<b>Q1-2021</b>	916
<b>Q1-2022</b>	1,069

**Increase of 17% compared to the same period last year**

### **BAR graph - Backlog by Operating Segments**

<b>Period</b>	<b>Residential Construction</b>	<b>Non Residential Construction</b>	<b>Infrastructure</b>	<b>Residential Development &amp; Construction</b>	<b>Total</b>
<b>2019</b>	3,427	2,357	1,267	141	<b>7,192</b>
<b>2020</b>	3,926	2,992	2,610	81	<b>9,609</b>
<b>2021</b>	5,323	2,880	2,430	425	<b>11,058</b>
<b>H1-2021</b>	4,653	3,245	2,248	585	<b>10,731</b>
<b>H1-2022</b>	5,175	3,352	2,571	227	<b>11,325</b>

### **Slide 6 - Synergic Revenue Structure Enabling the Distribution of Risks and Growth**

#### **Pie graph - Turnover by Operating Segments**

<b>Operating Segment</b>	<b>Revenue distribution</b>
Residential Construction	35%
Non Residential Construction	29%
Infrastructure	26%
Residential Development & Construction	10%

**Turnover in H1-2022 - approx. NIS 2.1 Billion**

#### **Pie graph - Backlog by Operating Segments**

<b>Operating Segment</b>	<b>Backlog distribution</b>
Residential Construction	45%
Non Residential Construction	30%
Infrastructure	23%
Residential Development & Construction	2%

**NIS 11.3 Billion Backlog 30.6.22**

## **Slide 7 - Residential Construction**

### **Backlog, Turnover & Profits (In NIS million)**

	<b>2022 H1</b>	<b>2021 H2</b>	<b>2021 Annual</b>
Turnover	747	936	1,797
Gross Profit	35	52	101
Backlog	5,175	4,653	5,323
Revenue rate out of the total turnover of the company	36%	49%	44%

### **Prominent Projects**

<b>Name of the Project</b>	<b>Estimated Financial Scope (NIS Million)</b>	<b>Completion Rate as at June 30, 2022</b>	<b>Expected Completion Date</b>
Bat-Yam Moment (Ha'Shvatim)	700	3%	Q2, 2025
Upper House - Yad Eliyahu	587	25%	Q3, 2024
Aura Ramat Chen	555	1%	Q3, 2026
TLV Towers Tel Aviv – Tower 4	479	24%	Q1, 2025
TLV Towers Tel Aviv – Tower 3	467	79%	Q1, 2023
Aura Ramat Ha'Sharon – Stage B	446	0%	Q1, 2026
Nofey Ben Shemen	406	12%	Q3, 2024

## **Slide 8 – Non Residential Construction**

### **Backlog, Turnover & Profits (In NIS million)**

	<b>2022 H1</b>	<b>2021 H1</b>	<b>2021 Annual</b>
Turnover	609	518	1,084
Gross Profit	31	20	33
Backlog	3,352	3,245	2,880
Revenue rate out of the total turnover of the company	29%	27%	27%

### **Prominent Projects**

<b>Name of the Project</b>	<b>Estimated Financial Scope (NIS Million)</b>	<b>Completion Rate as at June 30, 2022</b>	<b>Expected Completion Date</b>
TOHA 2	530	0%	Q3, 2026
Ministry of Justice	517	88%	Q4, 2022
District Government Campus, Jerusalem	471	34%	Q2, 2024
Computerization Project *	947	22%	Q3, 2024

\* Execution of the project in partnership with Solel Boneh, which is presented according to the equity method

### **Slide 9 - Infrastructure**

#### **Backlog, Turnover & Profits (In NIS million)**

	<b>2022 H1</b>	<b>2021 H1</b>	<b>2021 Annual</b>
Turnover	541	409	932
Gross Profit	39	11	21
Backlog	2,571	2,248	2,430
Revenue rate out of the total turnover of the company	26%	21%	23%

### **Prominent Projects**

<b>Name of the Project</b>	<b>Estimated Financial Scope (NIS Million)</b>	<b>Completion Rate as at June 30, 2022</b>	<b>Expected Completion Date</b>
The Red Line – Eastern Section *	837	99%	Q3, 2022
Eastern Track – Section B	695	79%	Q1, 2023

\* Share of the Company

## **Slide 10 - Residential Development & Construction**

### **Developing Projects**

- **Projects under construction**

Name of the Project	Location	Share of the Company	No. of Residential Units (Total)	No. of Free Market Residential Units	Expected Completion Date
Narkisim	Rishon Lezion	50%	554	160	2022-2023
Savyonei Ir Hayayin	Ashkelon	100%	423	127	2023
Unique Urban	Be'er Ya'acov	50%	98	20	2023
Timisoara	Romania	100%	233	233	2022-2023

- **Finished projects**

Name of the Project	Location	Share of the Company	No. of Units in stock
Unique Top	Rishon Lezion	50%	17

- **Inventory of lands**

Projects in Romania	Land's original price as at 30.6.2022	Share of the Company	Constructing franchise - Current planning status	Constructing franchise - Requested planning status
Praga	28,159	100%	At master plan's procedure	About 1,000 residential units
Timisoara	3,098	100%	Building authorization received	116 residential units
Corebeanca	14,211	100%	The master plan was approved by the local committee. Waiting for written approval	About 350 fields / ground floors residential units
Voluntari	17,645	100%	At building authorization procedure	75 ground floors residential units
Brasov	7,488	100%		-
Saftica	3,221	100%		

The information above, is within future projection, which based, among other things, on information held by the company to this date and past experience of the company, and includes estimations and plans of the company which might not occur, or occur differently, essentially, as expected by the company, from various reasons, among them, in case will occur one or more of the followings: (1) Adverse changes in the state of the economy and / or in the state of the real estate market in general and in the area where the project is located in particular will be adverse; (2) Changes will occur in the construction costs and / or in the prices of the raw materials (and / or their availability) and / or in the prices of the construction inputs and / or in the availability of a person there; (3) External factors not depend on the company, such as the authorities of design; And / or (4) One or more of the risk factors that the company is also exposed to, will occur.

**Slide 11 - Balance Sheet Liabilities and Capital – 30.6.2022**  
**(NIS Thousands)**

	<b>30.6.2022</b>	<b>31.12.2021</b>
Total Balance Sheet	2,278,405	2,255,342
Total Current Assets	1,881,398	1,882,933
Investments and Loans to investee Companies and related Parties	142,096	126,137
Inventory of lands	68,585	66,390
Fixed Assets and Other Non Current Assets	186,326	179,882
Total Non Current Assets	397,007	372,409
Total Current Liabilities	1,546,904	1,558,012
Total Non Current Liabilities	65,362	67,880
Equity	666,139	629,450

**Slide 12 - Profit & Loss (NIS M)**

	<b>Q2-2022</b>	<b>Q2-2021</b>	<b>H1-2022</b>	<b>H1-2021</b>	<b>2021</b>	<b>2020 Proforma</b>
Turnover	1,069	916	2,102	1,926	4,060	3,559
Gross Profit	69	48	135	91	198	138
<b>Profit from Ongoing Operations</b>	<b>41</b>	<b>28</b>	<b>81</b>	<b>56</b>	<b>132</b>	<b>105</b>
Net Profit	41	28	81	137	213	105

**Slide 13 - Development of Revenues and Backlogs (NIS M)**

**Line Graph - Revenue Turnover**

<b>Period</b>	<b>Revenue Turnover</b>
<b>2017</b>	3,495
<b>2018</b>	3,586
<b>2019</b>	3,365
<b>2020</b>	3,559
<b>2021</b>	4,060



### Line Graph - Backlog

Period	Backlog
2017	5,720
2018	6,399
2019	7,191
2020	9,608
2021	11,058
Q2-2022	11,325

### Slide 14 - Consolidated Order backlog – By Operating segments (NIS M)

	Backlog Balance 30.6.2022	Backlog Balance 2021	Backlog Balance 2020	Backlog Balance 2019
Residential Construction	5,175	5,323	3,926	3,427
Non Residential Construction	2,598	2,043	2,086	1,562
Residential Development and Construction	2,571	2,430	2,610	1,267
Infrastructure	227	425	81	141
<b>Total Backlog in the Financial Statements</b>	<b>10,571</b>	<b>10,221</b>	<b>8,703</b>	<b>6,397</b>
Associated companies*	754	837	905	795
<b>Total</b>	<b>11,325</b>	<b>11,058</b>	<b>9,608</b>	<b>7,192</b>

\* The Teleprocessing Project is included in the financial statements of an associated company, and is therefore not added to the accounting backlog. The updated scope of implementation is 1.9 billion NIS (Denya's share - 950 million NIS).

**Since June 30, 2022, and up until the financial statements' date, projects at a total amount of NIS 1,803 Millions entered to the backlog**