

Presentation to the capital market Q3-2023

Accessible

Slide 1 - Header



Build the Future

Q3 - 2023

Slide 2 - Disclaimer

This presentation was prepared by Danya Cebus Ltd. as a general presentation about the company and the companies on the Group (the "Company"). The presentation does not constitute an offer for investment and / nor the purchase of securities and / nor an invitation to receive such offers and, in particular, does not constitute an "offer to the public" 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 in general and does not replace the collection and analysis of independent information. The presentation has been drawn up for a convenient and concise presentation about the company and its activities and does not replace the need to review the reports published and / or which will be published by the company to the public, especially in the company's periodic report for 2022 which was published on March 6, 2023, and in the quarterly report as at Sep. 30, 2023, 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. In addition to the above, this presentation does not replace an independent examination and personal advice and does not 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, 5728 - 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 which 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. The Leading Construction & Infrastructure Company in Israel for more than 80 years

- **90** projects simultaneously
- **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
- **Tens** of kilometers of tunnels cut through
- **Hundreds** of bridges built
- **Hundreds** of kilometers of roads paved
- Concession projects **PPP**
- **Over 2,000** employees
- **Thousands** of apartments under development in the previous years
- Industrial facilities
- Geotechnics and ground basing
- Electro-mechanics & air conditioning systems
- International activity in **3 countries**

Slide 4 - Financial Fortitude

- NIS **13.5** Billion Orders backlog
- NIS **4.1** Billion Period turnover
- NIS **155** Million Net profit
- **23%** - Increase in profit in comparison to the same period last year
- NIS **120** Million dividends announced during the period
- NIS **714** Million Cash, restricted deposits and marketable securities
- **0** Corporate Debt

Slide 5 - Business Strategy

- **Outer circle:** The company's business strategy is to act at five segments: Residential Construction, Non-Residential construction, Residential Development and Construction, Infrastructure, Concessions
- **Inner circle:** Fulfilling the strategy using the significant strengths of the company: Human capital, operational efficiency, safety
- **Arrows coming out of the circles:** The company expects that fulfilling its strategy will bring: Revenue mix with high profit margins, stable cash flow over time, efficiency through innovation and technology

Slide 6 - Financial Growth (In NIS million)

The net profit of the company for the reported period amounted to approximately **NIS 155 Million**.

BAR graph – Net Profit

Period	NIS Million
2020	105
2021	132
2022	175
1-9/22	127
1-9/23	155
Q3-2022	45
Q3-2023	50

Increase of 11% compared to the same period last year

BAR graph - Turnover

Period	NIS Million
2020	3,559
2021	4,060
2022	4,486
1-9/22	3,252
1-9/23	4,123
Q3-2022	1,150
Q3-2023	1,416

Increase of 23% compared to the same period last year

BAR graph – Orders Backlog

Period	Residential Construction	Non Residential Construction	Infrastructure	Residential Development & Construction	Total
2020	3,926	2,086	2,610	81	8,703
2021	5,323	2,043	2,430	425	10,221
2022	5,901	3,203	2,384	94	11,581
30/09/22	6,198	3,146	2,450	166	11,960
30/09/23	6,829	4,223	2,358	133	13,543

BAR graph - EBITDA

Period	NIS Million
2020	143
2021	218
2022	288
1-9/22	212
1-9/23	241
Q3-2022	74
Q3-2023	79

Increase of 7% compared to the same period last year

Slide 7 - Balance Sheet Liabilities and Capital – 30.9.2023

(NIS Thousands)

	30.9.2023	31.12.2022
Total Balance Sheet	2,569,281	2,297,570
Total Current Assets	2,233,054	1,904,307
Investments and Loans in investee Companies & related Parties	63,334	115,325
Inventory of lands	59,076	70,664
Fixed Assets and Other Non-Current Assets	213,817	207,274
Total Non-Current Assets	336,227	393,263
Total Current Liabilities	1,751,830	1,529,074
Total Non-Current Liabilities	55,509	63,597
Equity	761,942	704,899

Slide 8 - Consolidated Orders backlog – By Operating segments (Million NIS)

	Backlog 30.9.2023	Backlog 2022	Backlog 2021	Backlog 2020
Residential Construction	6,829	5,901	5,323	3,926
Non-Residential Construction	4,223	3,203	2,043	2,086
Infrastructure	2,358	2,384	2,430	2,610
Residential Development and Construction	133	94	425	81
Total Backlog as per Financial Statements	13,543	11,581	10,221	8,703

* 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.

Update: From Sep. 30, 2023 until the date of publishing the financial statements, new projects totaling **NIS 568 Million** were added to the backlog.

Slide 9 - Four main activities segments

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

Slide 10 - Synergetic Revenue Structure Enabling a Distribution of Risks and Growth

Pie graph - Turnover by Operating Segments

Operating Segment	Revenue distribution
Residential Construction	42%
Non Residential Construction	34%
Infrastructure	23%
Residential Development & Construction	1%

Turnover in 1-9/2023 - approx. NIS 4.1 Billion

Pie graph - Backlog by Operating Segments

Operating Segment	Backlog distribution
Residential Construction	51%
Non Residential Construction	31%
Infrastructure	17%
Residential Development & Construction	1%

Backlog at 30.9.23 - NIS 13.5 Billion

Slide 11 - Infrastructure - Backlog, Turnover & Profitability (Million NIS)

Turnover – Bar Graph

Period	Turnover
2021	932
2022	1,159
1-9/22	818
1-9/23	963
Q3-2022	277
Q3-2023	328

Gross Profit – Bar Graph

Period	Gross Profit
2021	21
2022	78
1-9/22	60
1-9/23	72
Q3-2022	21
Q3-2023	26

Backlog – Bar Graph

Period	Backlog
2021	2,430
2022	2,384
30.9.22	2,450
30.9.23	2,358

Slide 12 - Infrastructure – Significant Projects

Name of the Project	Estimated Financial Volume (NIS Million)	Completion Rate	Estimated Completion
Fourth rail - Ayalon section	490	0%	Q2, 2029
Fast Lanes – Shefayim parking lot and 541 Road	916	43%	Q2, 2025

Slide 13 - Non-Residential - Backlog, Turnover & Profitability (Million NIS)

Turnover – Bar Graph

Period	Turnover
2021	1,084
2022	1,350
1-9/22	986
1-9/23	1,386
Q3-2022	377
Q3-2023	502

Gross Profit – Bar Graph

Period	Gross Profit
2021	33
2022	77
1-9/22	54
1-9/23	66
Q3-2022	23
Q3-2023	22

Backlog – Bar Graph

Period	Backlog
2021	2,043
2022	3,203
30.9.22	3,146
30.9.23	4,223

Slide 14 - Non-Residential – Significant Projects

Name of the Project	Estimated Financial Volume (NIS Million)	Completion Rate	Estimated Completion
Regional Government Headquarters	565	66%	Q3, 2024
Ministry of Justice	548	99%	Q2, 2024
TOHA 2	537	24%	Q3, 2026
Complex 1000, Rishon Lezion	475	1%	Q3, 2026

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

Turnover – Cumulative Bar Graph

Period	Turnover
2021	1,797
2022	1,635
1-9/22	1,177
1-9/23	1,724
Q3-2022	430
Q3-2023	583

Gross Profit – Bar Graph

Period	Gross Profit
2021	101
2022	74
1-9/22	53
1-9/23	74
Q3-2022	18
Q3-2023	25

Backlog – Bar Graph

Period	Backlog
2021	5,323
2022	5,901
30.9.22	6,198
30.9.23	6,829

Slide 16 – Residential Construction – Significant Projects

Name of the Project	Estimated Financial Volume (NIS Million)	Completion Rate	Estimated Completion
Carmay Hanadiv Phases A+B	498	24%	Q4, 2025
Aura Ramat Chen	602	9%	Q4, 2026
Upper House - Yad Eliyahu	638	60%	Q4, 2024
DUO Semel south *	461	12%	Q4, 2026
Bat-Yam Moment (Ha'Shvatim)	758	26%	Q4, 2025
Carasso Jerusalem - Demolition and reconstruction	438	0%	Q4, 2027

* Denya's Share

Slide 17 – Residential Construction – Significant Projects

(Cont.)

Name of the Project	Estimated Financial Volume (NIS Million)	Completion Rate	Estimated Completion Date
Aura Ramat Ha'Sharon Phase B	446	0%	Q1, 2027
Gindi Towers Tel Aviv – Tower 3	479	98%	Q4, 2023
Gindi Towers Tel Aviv – Tower 4	517	60%	Q1, 2025
Nofey Ben Shemen	429	64%	Q2, 2024
Gindi Ramat Efal	600	0%	Q4, 2026

Slide 18 - Residential Development & Construction

Significant Projects

Name of the Project	Description	Details
Denya Spring View	A plot of land located in Swomin village, south of Warsaw, for construction of 148 residential units, 46 units in phases A+B	<ul style="list-style-type: none"> • Location: Warsaw • Project Scope: 148 Residential Units • Land cost: NIS 11 Million • Under Construction
Denya Pipera	Multi-floor residential construction next to the American School in Pipera neighborhood.	<ul style="list-style-type: none"> • Location: Bucharest • Project Scope: 800 Residential Units • Land cost: NIS 25 Million • Zoning approval received
Denya Lake	A plot of land in the Pipera neighborhood for construction of approx. 77 townhouses	<ul style="list-style-type: none"> • Location: Bucharest • Project Scope: 77 Units • Land cost: NIS 18 Million • Building permit has received
Denya Forest - Bloc I	Second building out of 3. 12 floors and 116 residential units - sole development of Denya Romania. Construction commenced in 2021, scheduled for completion in Q4.2023	<ul style="list-style-type: none"> • Location: Timisoara • Project Scope: 116 Residential Units • Land cost: NIS 3 Million • Under Construction
Denya Forest - Bloc H	Third building out of 3, 12 floors and 116 residential units - sole development of Denya Romania. Construction commenced in 2022, scheduled for completion in Q4.2024	<ul style="list-style-type: none"> • Location: Timisoara • Project Scope: 116 Residential Units • Land cost: NIS 3 Million • Under Construction
Denya Corbeanca	A plot of land located in the Corbeanca neighborhood with a total area of 223 thousand sqm., for construction of approx. 350 townhouses	<ul style="list-style-type: none"> • Location: Bucharest • Project Scope: 350 Units • Land cost: NIS 14 Million • Zoning approval received

Developer's Strengths

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

Slide 19 – Concessions

Construction/ Operation phase / Financial Closing:

- **Roads**

HaYovel lines

Effective share in the Concessionaire -	15%
Share in the O&M -	100%
Concession period -	Until 2031

Fast Lanes

Share in the Concessionaire -	25%
Share in the EPC -	50%
Construction commencement -	11/2022

- **Light Rail**

Light Rail Jerusalem (Blue Line)

Share in the Bidder - 47.5%

The process of signing Concession Agreement and Financial Closing.

Announced as successful bidder - 09/2023

A tender offer has been submitted:

- **Light Rail**

Light Rail Nazareth – Haifa (Nofit)

Share in the Bidder - 45%

Bid submission - 05/2023