

Presentation to the capital market Q1-2024

Accessible

Slide 1 - Header



Israel's Construction & Infrastructure Company

Build the Future

Q1 - 2024

Slide 2 - Disclaimer

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Slide 3

Denya - a strong supporter on the home front!

The Swords of Iron War

- Significant military mobilization 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 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 four 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 bridges built
- Concession projects (**PPP**)
- **100** projects simultaneously
- **Over 1,800** 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 – 31.3.24

- NIS **13.2** Billion Backlog
- NIS **1.4** Billion Periodic turnover
- NIS **43** Million Net profit
- NIS **8.7** Million Financing income, Net
- NIS **40** Million dividends announced for the period
- NIS **922** Million in cash, restricted deposits and liquid securities
- **0** Corporate Debt
- NIS **2.7** Billion Market value 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
Q1-2023	1,335
Q1-2024	1,375

BAR graph - EBITDA

Period	NIS Million
2021	218
2022	288
2023	298
Q1-2023	79
Q1-2024	67

BAR graph – Net Profit

Period	NIS Million
2021	132
2022	175
2023	196
Q1-2023	50
Q1-2024	43

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
1-3/23	6,472	3,314	2,403	71	12,261
1-3/24	6,515	4,113	2,481	43	13,153

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

	Backlog 31.3.24	Backlog 2023	Backlog 2022	Backlog 2021
Residential Construction	6,515	6,362	5,901	5,323
Non-Residential Construction	4,113	4,289	3,203	2,043
Infrastructure and Concessions	2,481	2,523	2,384	2,430
Residential Development and Construction	43	139	94	425
Total Backlog as per the Financial Statements	13,153	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.

Update: From March 31, 2024 until the date of publishing of the financial statements, new projects totaling **NIS 528 Million** were added to the backlog.

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 Q1-2024 - approx. NIS 1.4 Billion

Activities Segment	Revenue distribution
Residential Construction	41%
Non-Residential Construction	36%
Infrastructure and Concessions	23%
Residential Development & Construction	0%

Pie graph - Backlog by Activities Segments

Backlog as per 31.3.23 – NIS 13.2 Billion

Activities Segment	Backlog distribution
Residential Construction	50%
Non-Residential Construction	31%
Infrastructure and Concessions	19%
Residential Development & Construction	0%

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

Turnover – Bar Graph

Period	Turnover
2022	1,635
2023	2,225
Q1-2023	580
Q1-2024	557

Gross Profit – Bar Graph

Period	Gross Profit
2022	74
2023	95
Q1-2023	25
Q1-2024	26

Backlog – Bar Graph

Period	Backlog
2022	5,901
2023	6,362
31.3.23	6,472
31.3.24	6,515

Slide 13 – Residential Construction – Significant Projects

Name of the Project	Estimated Financial Value (NIS Million)	Completion Rate	Estimated Completion
South Gate, Jerusalem – Rami Levi	467	0%	Q2, 2028
Carmay Hanadiv – Phases A+B	498	44%	Q1, 2025
Carasso Jerusalem – Demolition and reconstruction	438	0%	Q4, 2028
DUO – Semel south *	467	20%	Q2, 2027
Upper House – Yad Eliyahu	640	75%	Q1, 2025
Aura – Ramat Chen	605	15%	Q4, 2026
Bat Yam Moment – Ha'Shvatim	766	37%	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	2%	Q2, 2027
TLV Towers – Tel Aviv - Tower 3	493	99%	Q2, 2024
TLV Towers – Tel Aviv - Tower 4	526	70%	Q1, 2025
Nofey Ben Shemen	431	82%	Q3, 2024
Gindi Ramat Efal	600	1%	Q1, 2027

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

Turnover – Bar Graph

Period	Turnover
2022	1,350
2023	1,851
Q1-2023	433
Q1-2024	496

Gross Profit – Bar Graph

Period	Gross Profit
2022	77
2023	92
Q1-2023	22
Q1-2024	28

Backlog – Bar Graph

Period	Backlog
2022	3,203
2023	4,289
31.3.23	3,314
31.3.24	4,113

Slide 16 - Non-Residential – Significant Projects

Name of the Project	Estimated Financial Value (NIS Million)	Completion Rate	Estimated Completion
LandMark *	409	74%	Q4, 2026
Complex 1000, Rishon Lezion	471	6%	Q3, 2026
Regional Government Headquarters - Jerusalem	584	71%	Q1, 2025
TOHA 2	542	41%	Q4, 2026
Ministry of Justice	552	99%	Q3, 2024

* Denya's Share

Slide 17 - Infrastructure and Concessions - Backlog, Turnover & Profitability **(Million NIS)**

Turnover – Bar Graph

Period	Turnover
2022	1,159
2023	1,255
Q1-2023	297
Q1-2024	317

Gross Profit – Bar Graph

Period	Gross Profit
2022	78
2023	80
Q1-2023	23
Q1-2024	7

Backlog – Bar Graph

Period	Backlog
2022	2,384
2023	2,523
31.3.23	2,403
31.3.24	2,481

Slide 18 – Infrastructure and Concessions – Significant Projects

- **Fourth Track - Ayalon section**

Estimated Financial Value – NIS 490 Million

Completion Rate – 2%

Estimated Completion – Q2, 2029

- **Eastern Track - Section B**

Estimated Financial Value – NIS 792 Million

Completion Rate – 98%

Estimated Completion – Q1, 2025

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

Estimated Financial Value – NIS 973 Million

Completion Rate – 65%

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%

The 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	No. of Residential Units (Total)	Sold (as of the reporting date)	Units for sale (as of the reporting date)
Denya Spring View – phases A+B	Warsaw	Poland	100%	46	38	8
Denya Spring View – phase C	Warsaw	Poland	100%	26	0	26
Denya Forest Bloc H	Timisoara	Romania	100%	116	64	52
Denya Forest Bloc D	Timisoara	Romania	100%	116	0	116
Denya Lake	Bucharest	Romania	100%	87	0	87
Total				391	102	289

Completed projects

Project Name	Location	Country	Company's Share	No. of Residential Units (Total)	Sold (as of the reporting date)	Units for sale (as of the reporting date)
Unik-Top	Rishon Le'zion	Israel	50%	377	368	9
Unik Urban	Be'er Ya'akov	Israel	50%	98	97	1
Denya Forest Bloc I	Timisoara	Romania	100%	116	105	11
Total				591	570	21

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, 46 units in phases A+B, 26 units in phase C

- 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
- Building permit received

(Project Under Construction)

▪ **Denya Forest - Bloc D**

Fourth building out of 4. 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 H**

Third building out of 4, 12 floors and 116 residential units. Construction commenced in 2022, scheduled for completion in Q4.2024

- Location: Timisoara
- Project Scope: 116 Residential Units
- Land cost: NIS 3 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)

Developer's Strengths

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

Slide 21 - Balance Sheet Liabilities and Equity Capital – 31.3.2024

(NIS Thousands)

	31.3.2024	31.12.2023
Total Balance Sheet	2,691,746	2,487,007
Total Current Assets	2,343,184	2,130,832
Total Current Liabilities	1,857,567	1,655,456
Equity	763,562	759,210