# SHUFERSAL

## Israel’s Largest and Principal Retail Group

Capital Market Presentation | Q1 2025

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# Q1 2025 | A Change That Generates Results

| | Revenues NIS billions | EBITDA NIS billions | Net Profit Margin |
|---|---|---|---|
| 2025 | 3.53 | 462 | 4.4% |
| | -6.8% | +13.0% | +2.0% |
| 2024 | 3.79 | 409 | 2.4% |

| | Operating Profit Margin* | Cash (Financial Debt) Net NIS billions | Market Cap* NIS billions |
|---|---|---|---|
| 2025 | 6.5% | 0.3 | 9.4 |
| | +2.1% | +127.3% | +42.4% |
| 2024 | 4.4% | (1.1) | 6.6 |

* Before other Expenses / Income

* Around the time of financial statement's publication date

# Israel's Premiere Retailer Nationwide

**430** Stores Nationwide

**2.24M** Club Members

**549K** $M^2$ Retail Floor Space

**14.1K** Employees

**8** Logistic Centers

**19.6%** Private Label's Revenue Share

**5.2B** Real Estate Assets Fair Value *(NIS)

**610K** Credit Card Holders

* Including owned logistic centers and the group's share in automated shipping warehouse

# Israel’s Premiere Retailer Nationwide

## Store launches and upgrades*

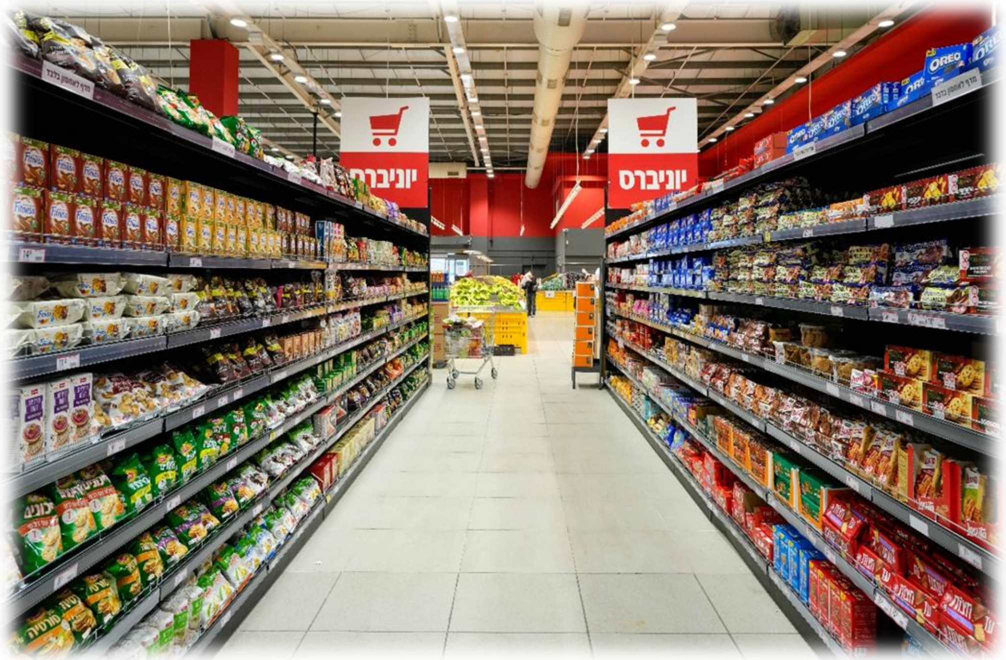
- **New!** Shufersal Deal Matzudot, Kiryat Shmona**
- **New!** Shufersal Deal Herzl, Ashdod**
- **New!** Hamafitz, Be'er Sheva
- **New!** Shufersal Express, Morashet Modi'in
- **New!** Good Market, Geula Haifa

**Ongoing progress in the stores upgrade plan across various formats and rebranding of Be Pharm**

## Launch of the “Universe” format – 9 branches nationwide*

- Kiryat Bialik
- Nesher
- Hadera
- Petah Tikva
- Modi'in
- Rishon Lezion
- Nes Tziona
- Rehovot
- Ashkelon

**Progress in the conversion project: expected to convert around 30 branches across the country**




## Progress in improving operational and financial efficiency

- Improved procurement of equipment and logistical services
- Inventory optimization
- Reduction in goods depreciation
- Decrease in sales loss
- Streamlining of service procurement procedures for the group (reduction in S&M and G&A expenses)
- Significant decrease in financing costs due to improved working capital deficit and reduction in net financial debt

*As of the date of the quarterly report publication
** Reopening of stores

# Profit Enhancement Initiatives

**Proactive group initiatives to improve profitability with an impact on revenue:**

√ Enhancing operational efficiency via selective stores
√ Focused execution of our store's conversion and upgrade program
√ Implementing targeted Saturday night closures to enhance efficiency
√ Reducing sales attrition and managing merchandise depreciation
√ Streamlining and optimizing marketing and commercial activity
√ Transformation of the private label brand

**Additional, external factors in the quarter:**

- Reduced consumer demand as the effects of the war decrease.
- Retail sector facing labor supply constraints
- An extra day in the same quarter last year
- Increased input costs in the economy

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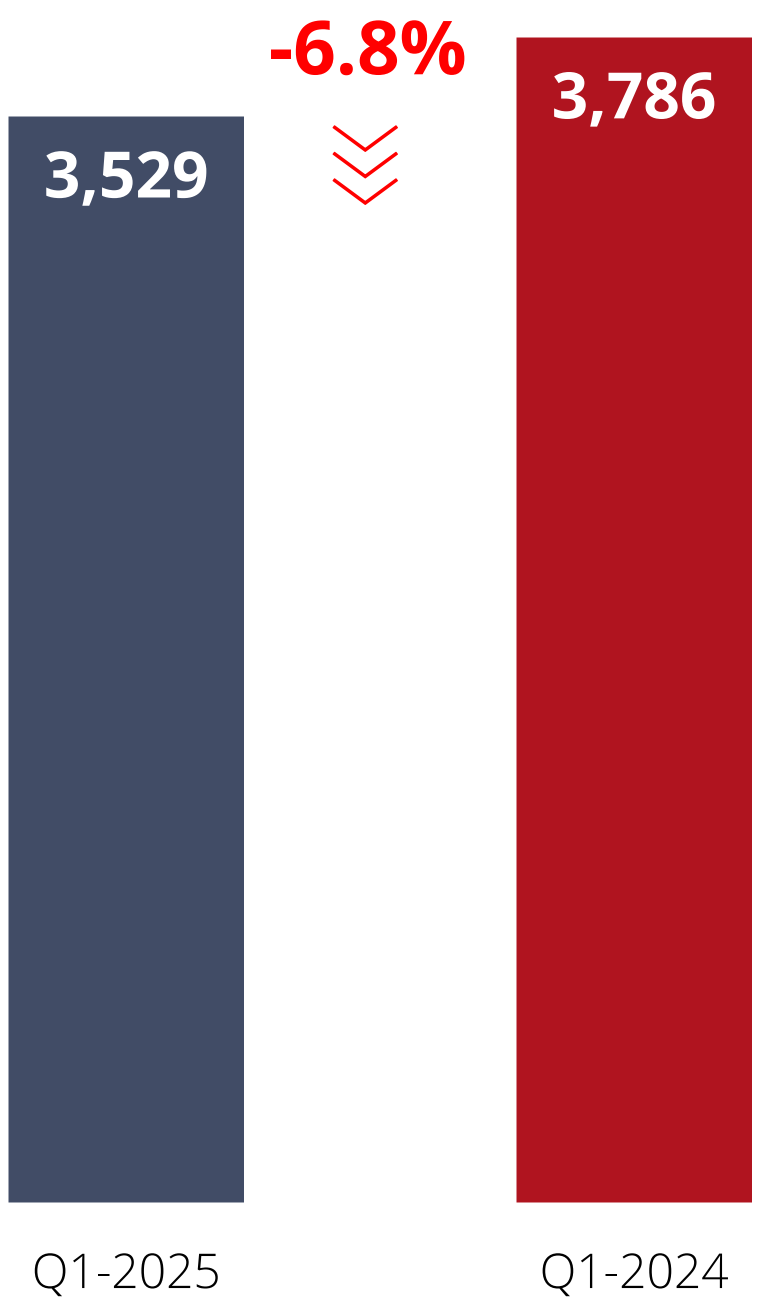
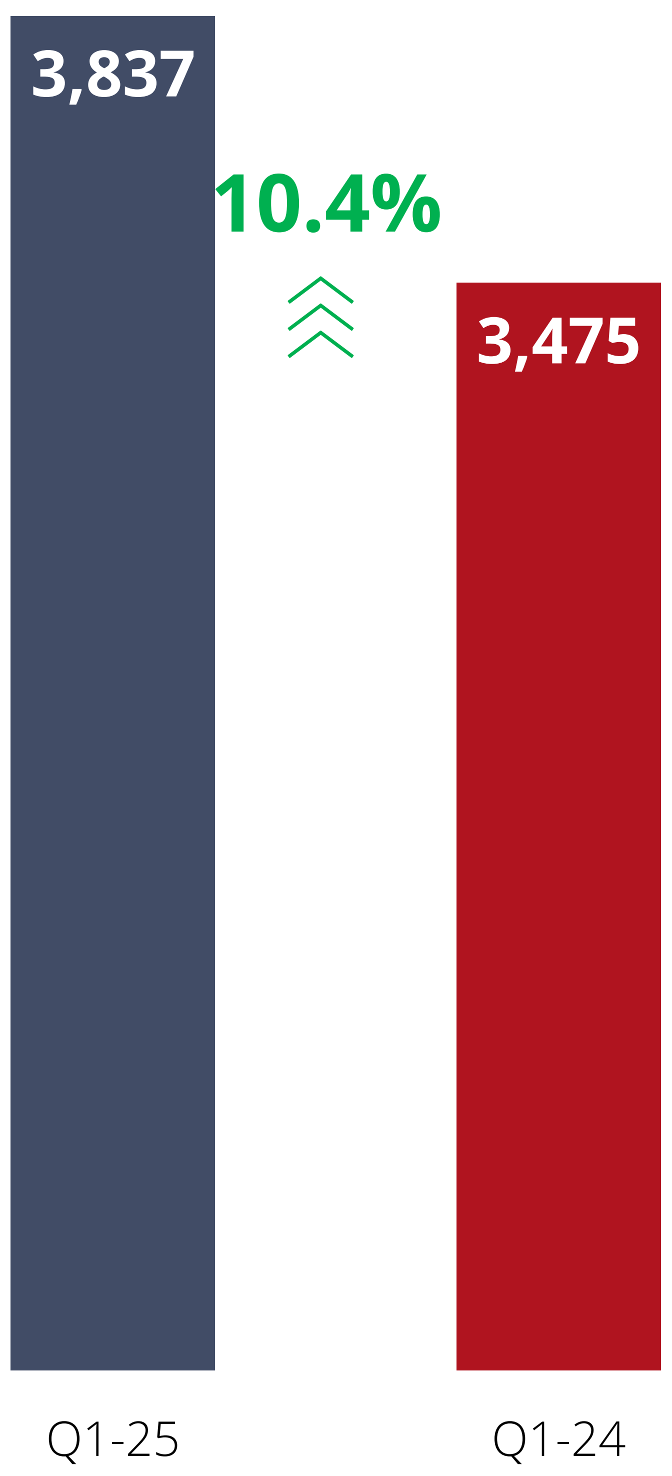
# Group Results (NIS Millions)

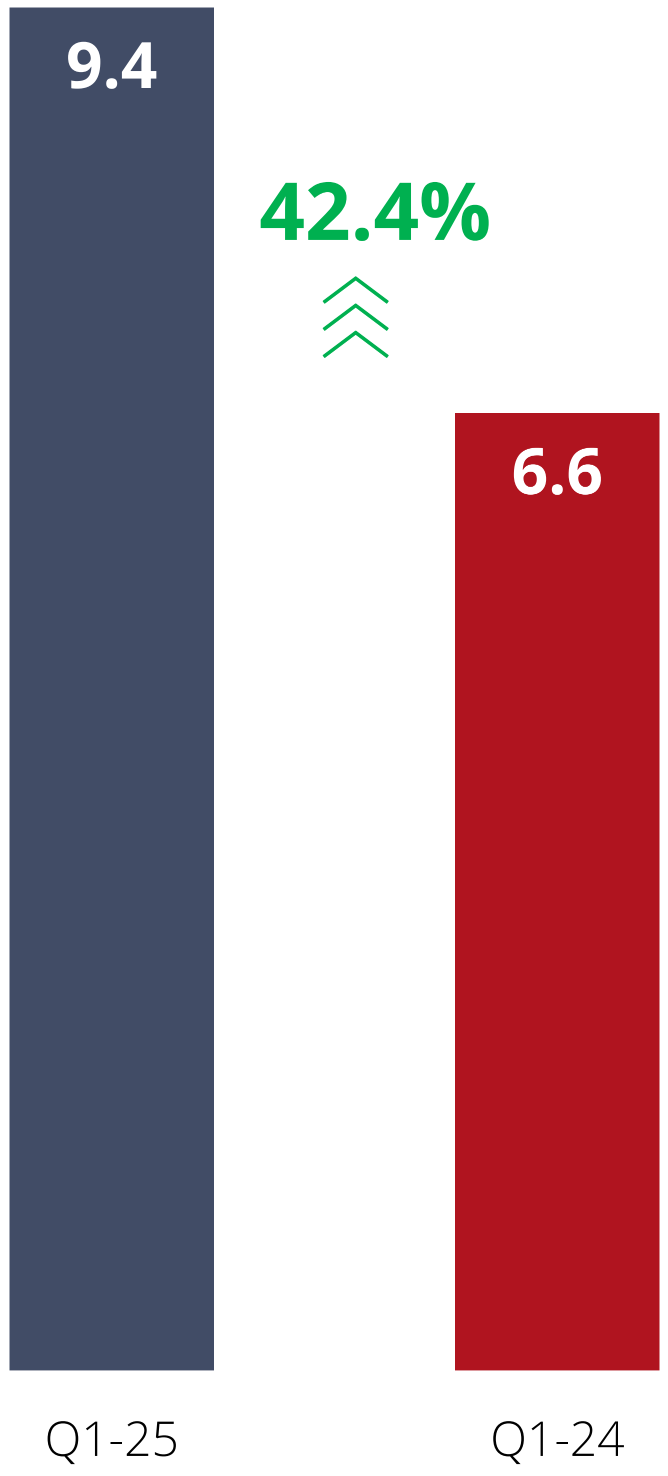
## Revenues




## Equity




## Market CAP* (NIS Billions)




*Around the time of financial statement's publication date

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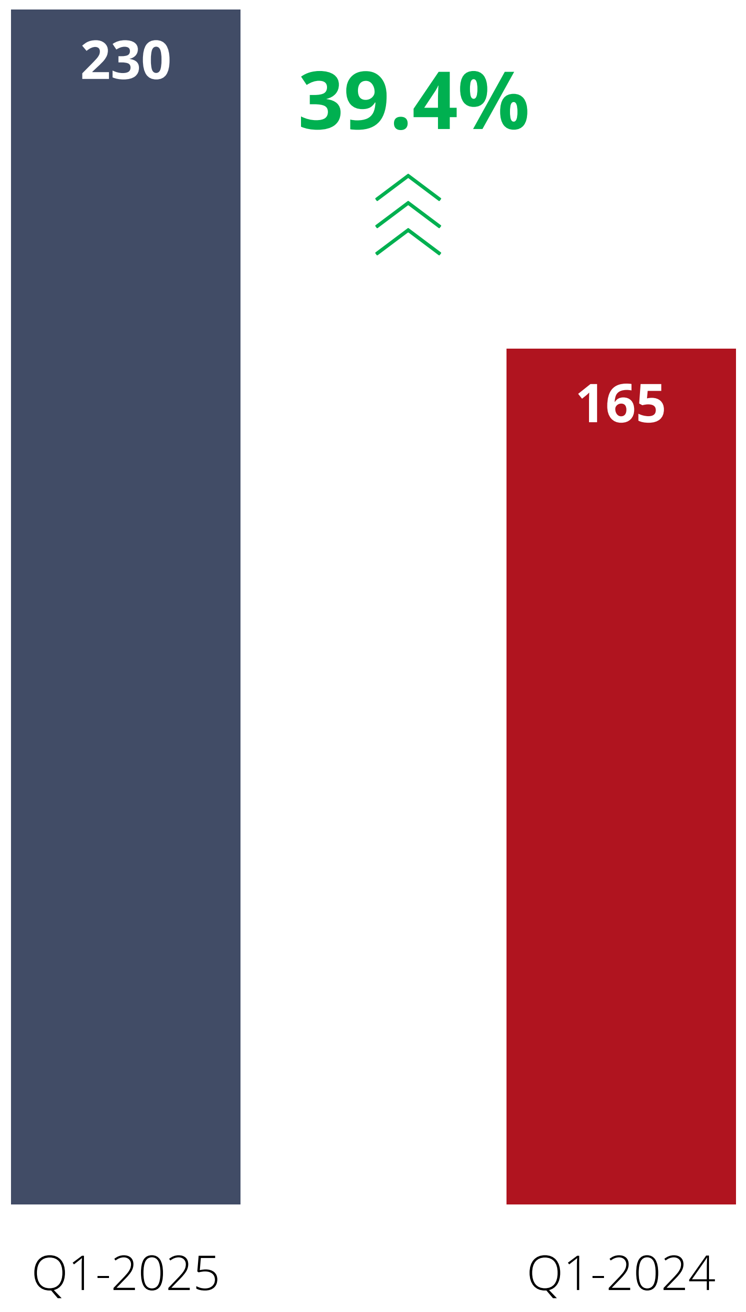
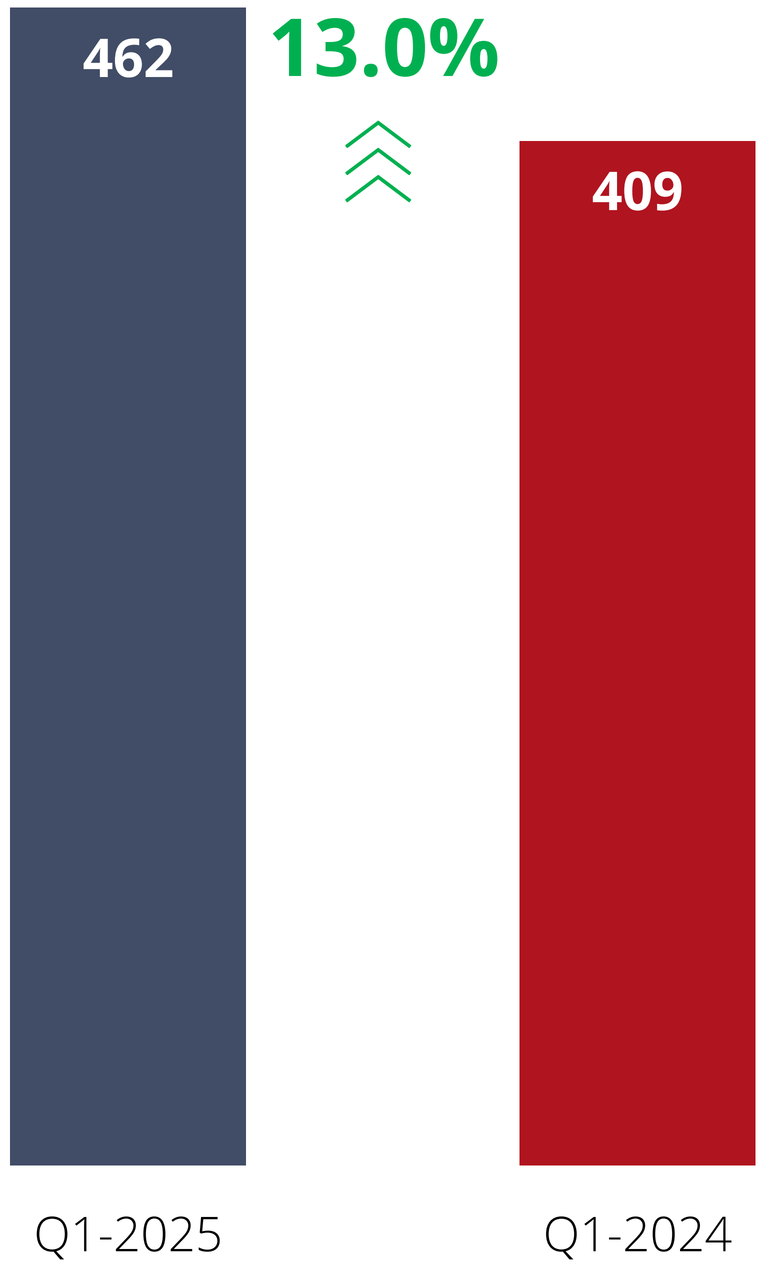
# Group Results (NIS Millions)

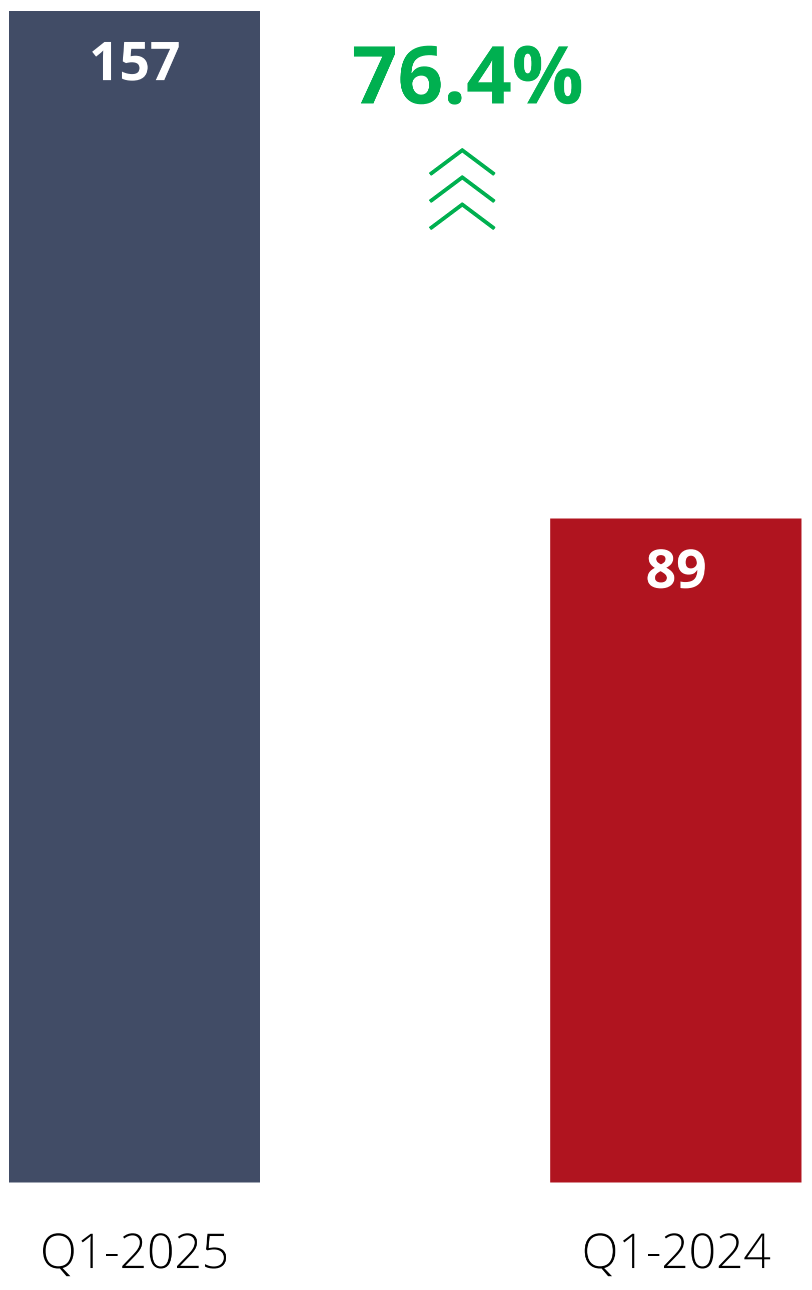
## Operating Profit*




## EBITDA




## Net Profit




* Before other Expenses / Income

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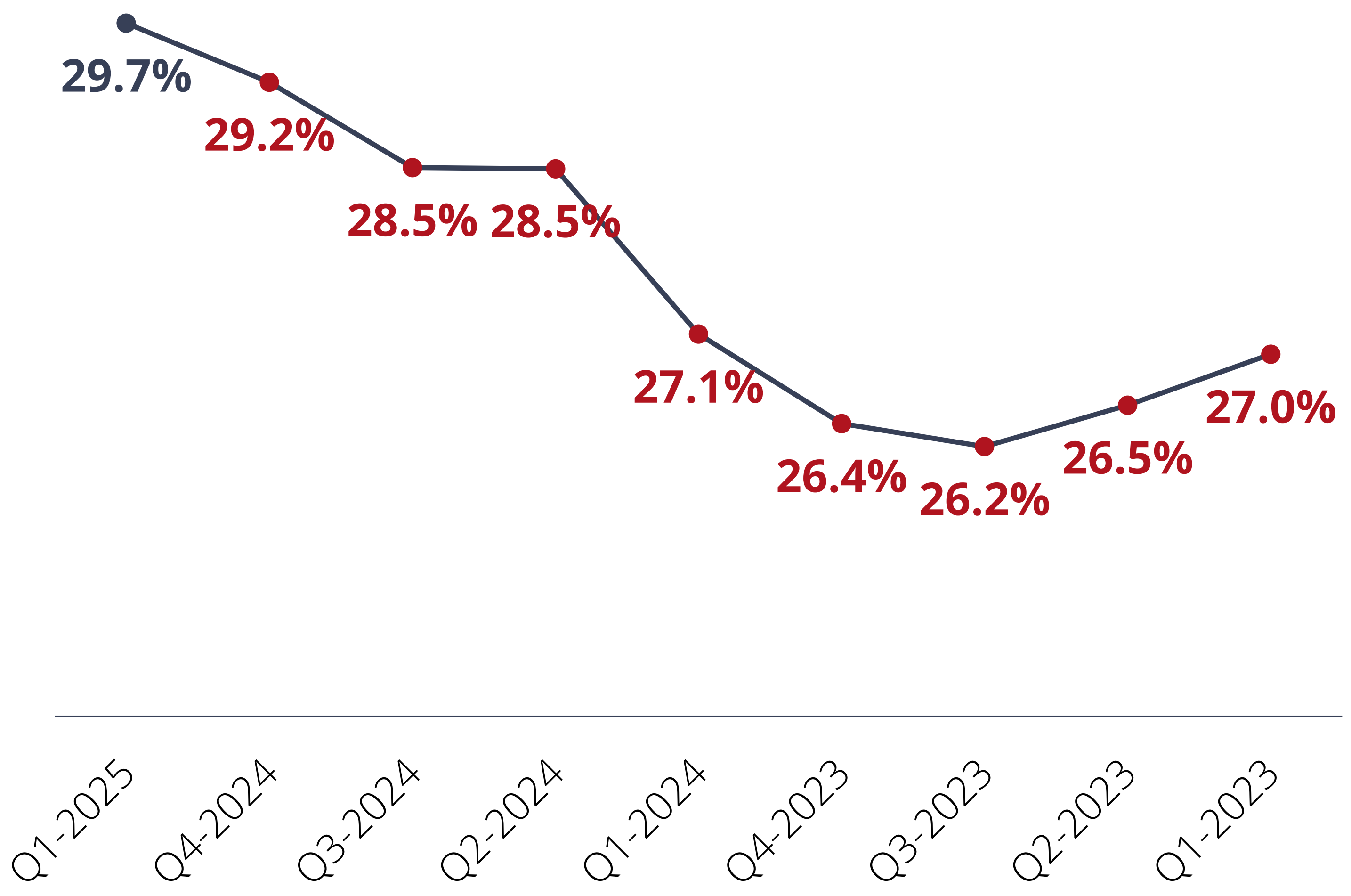
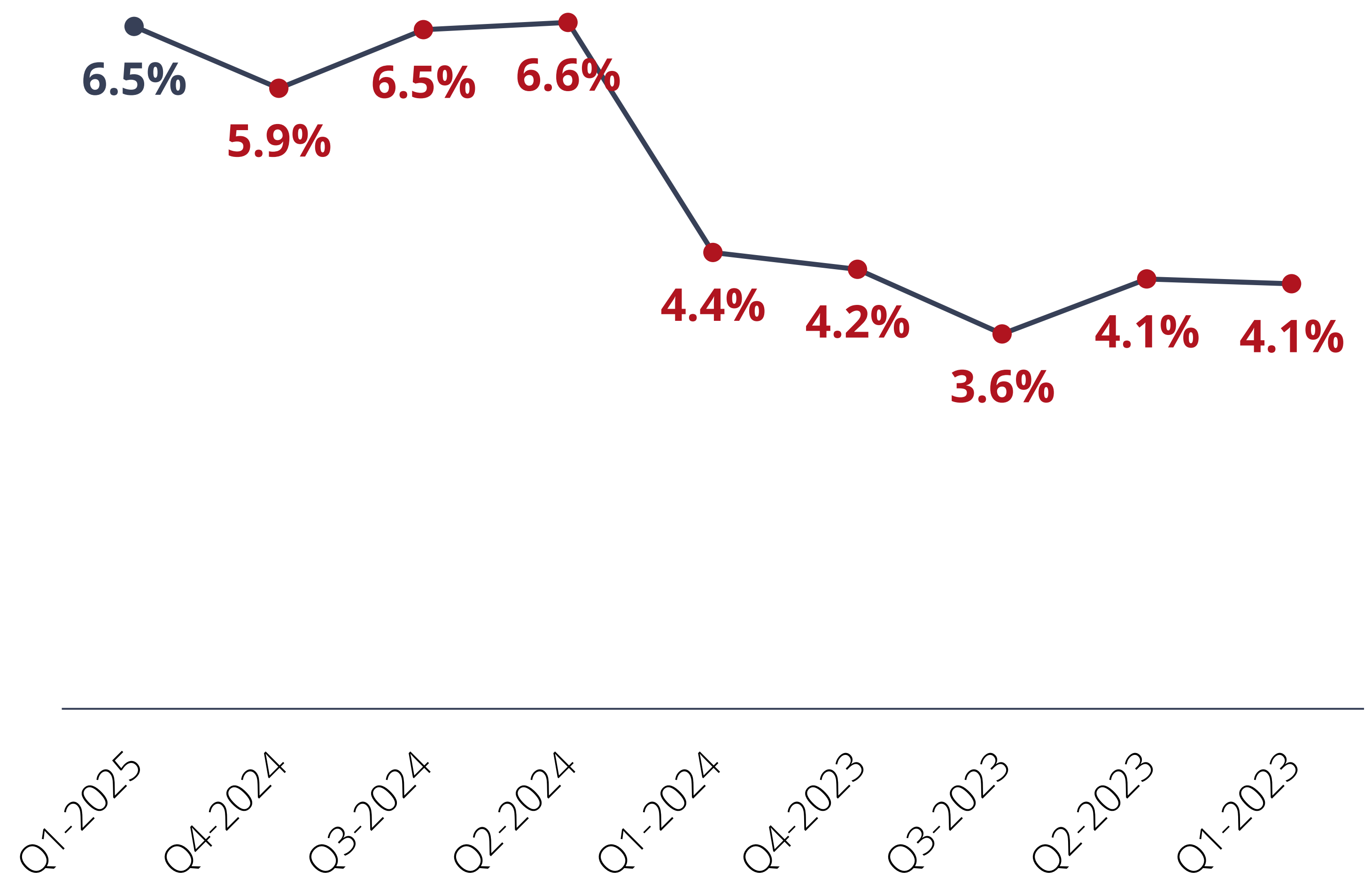
# Significant Growth in All Profitability Indicators

## Gross Profit Margin




## Operating Profit Margin*




* Before other Expenses / Income

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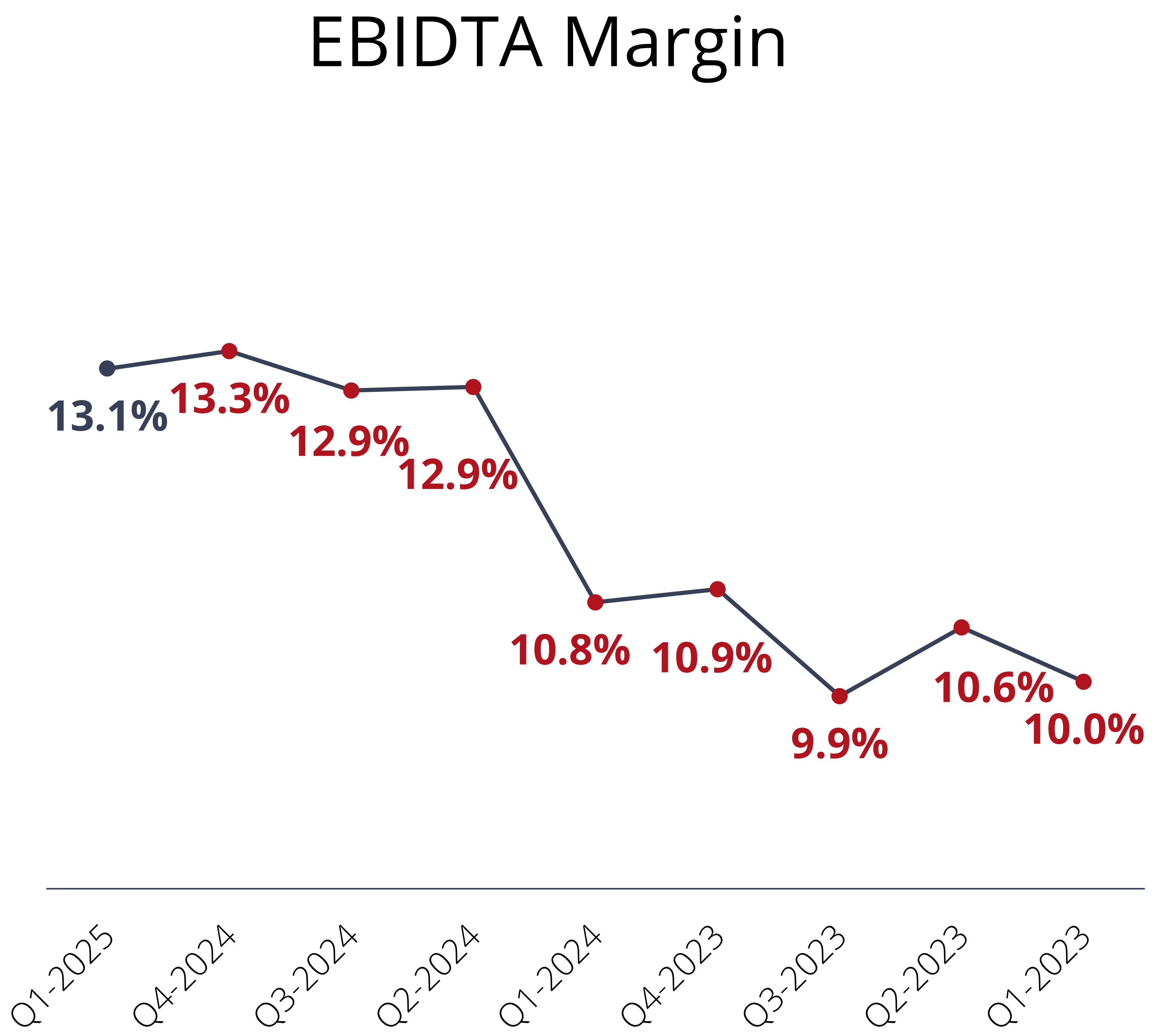
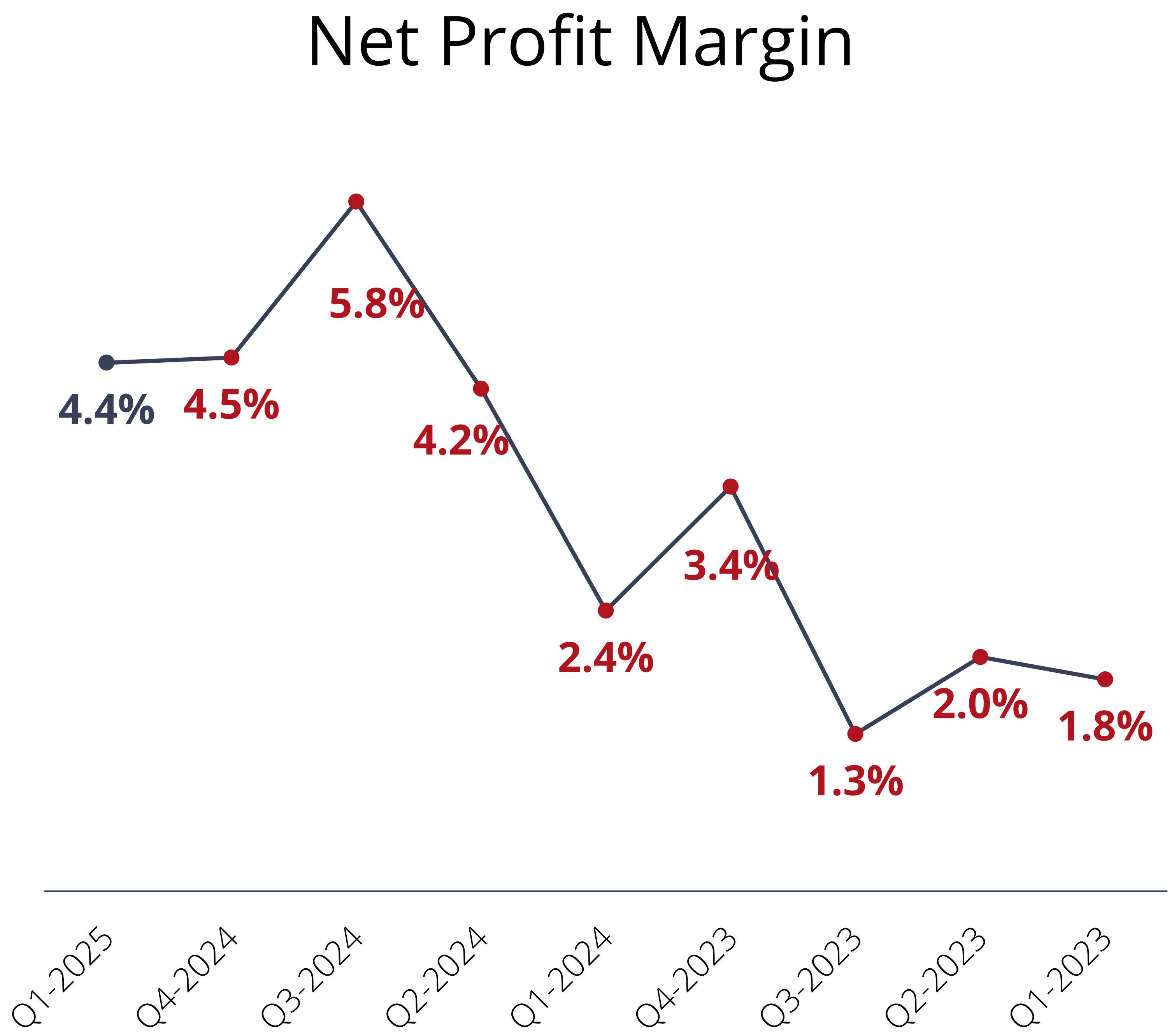
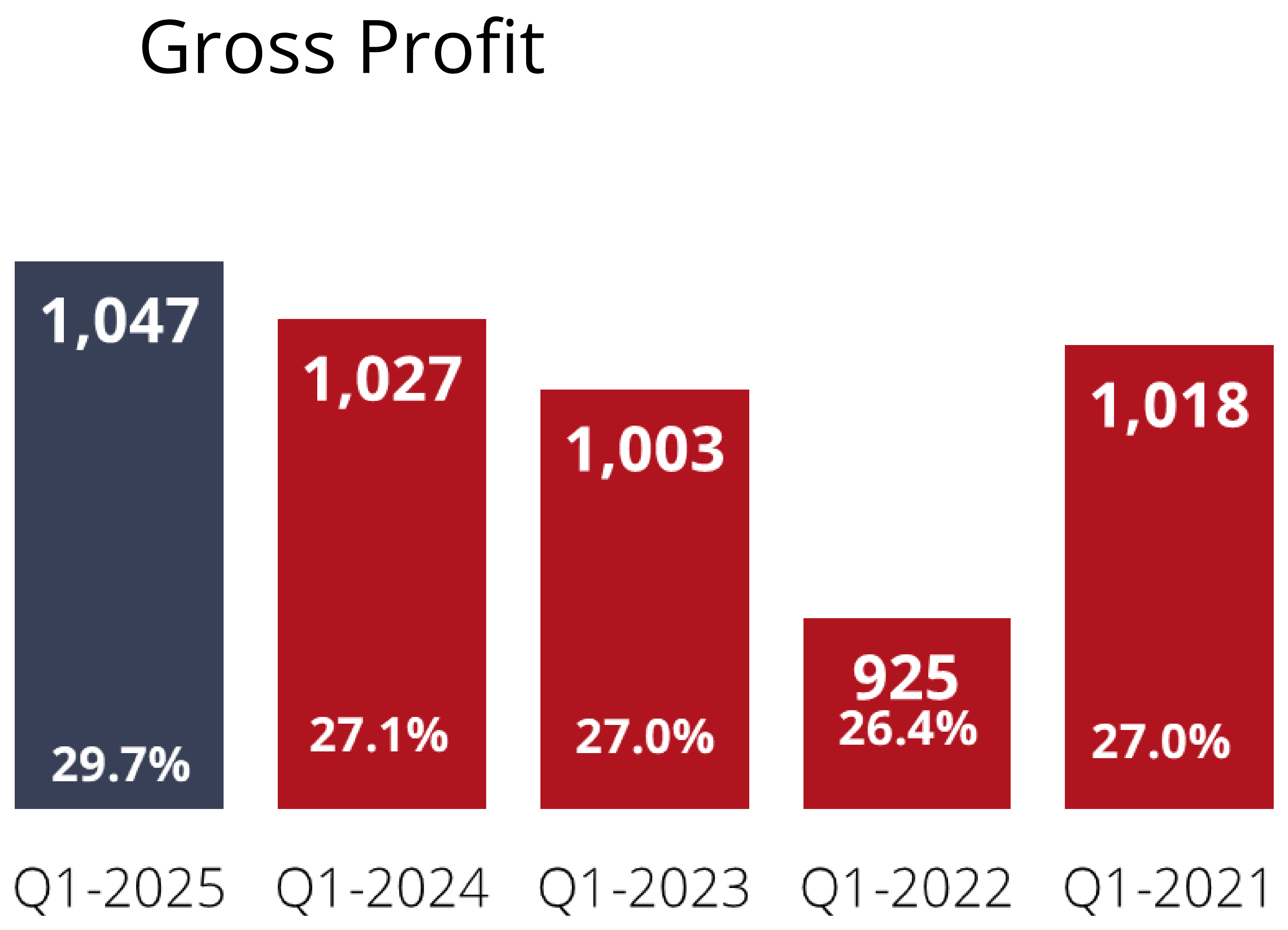
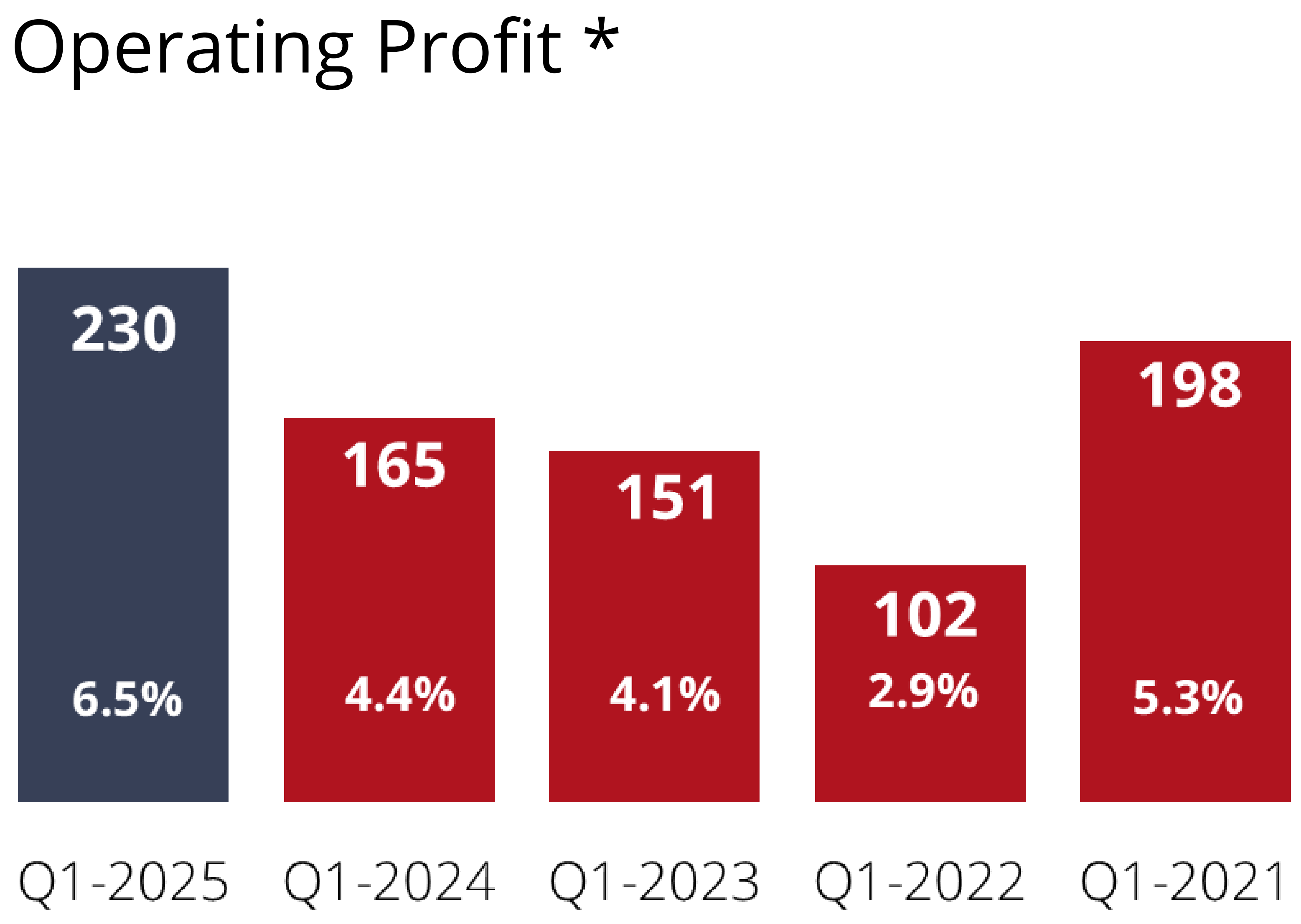
# Significant Growth in All Profitability Indicators



# Significant Growth in All Profitability Indicators
(NIS Millions)




* Before other Expenses / Income

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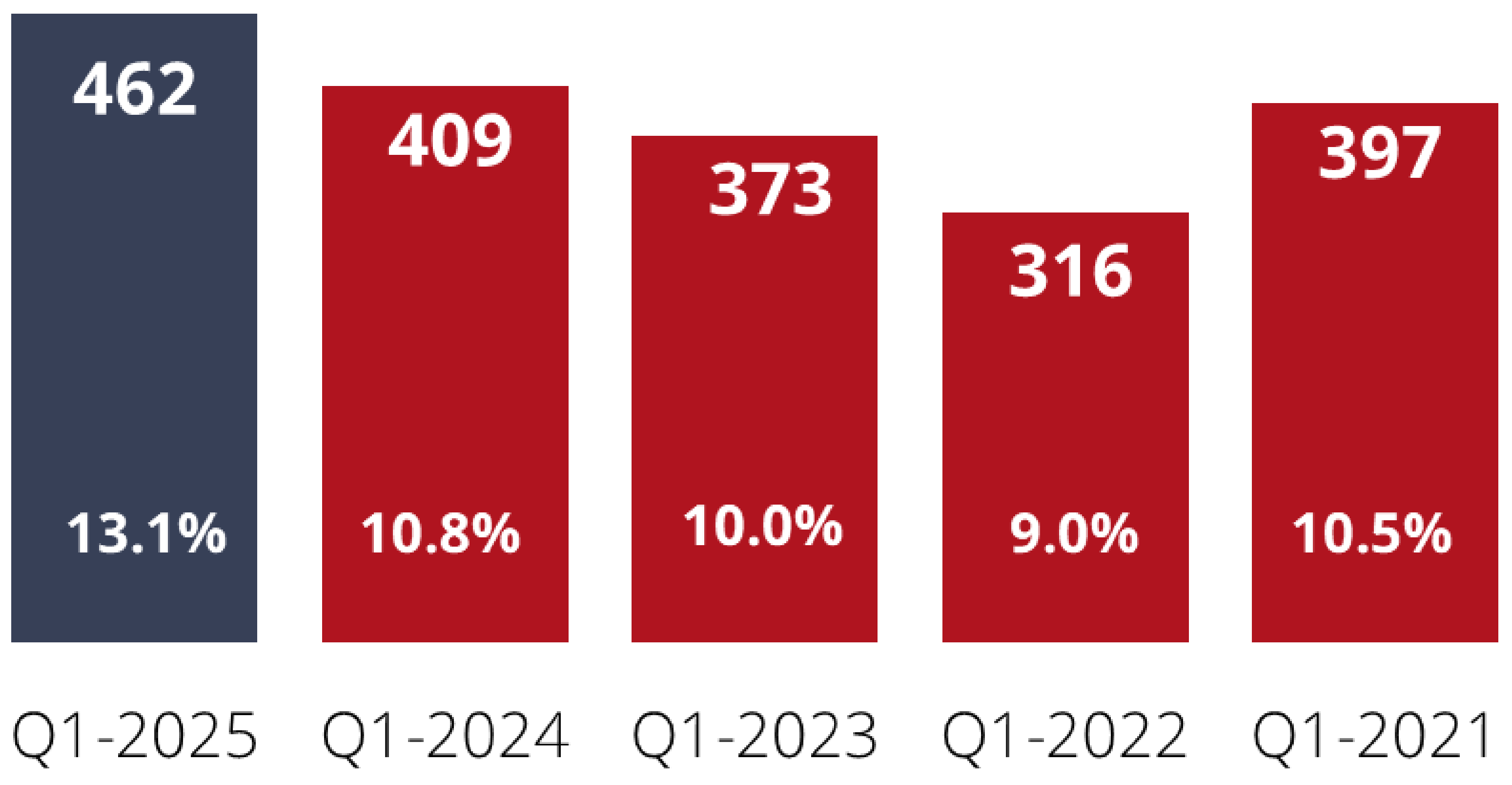
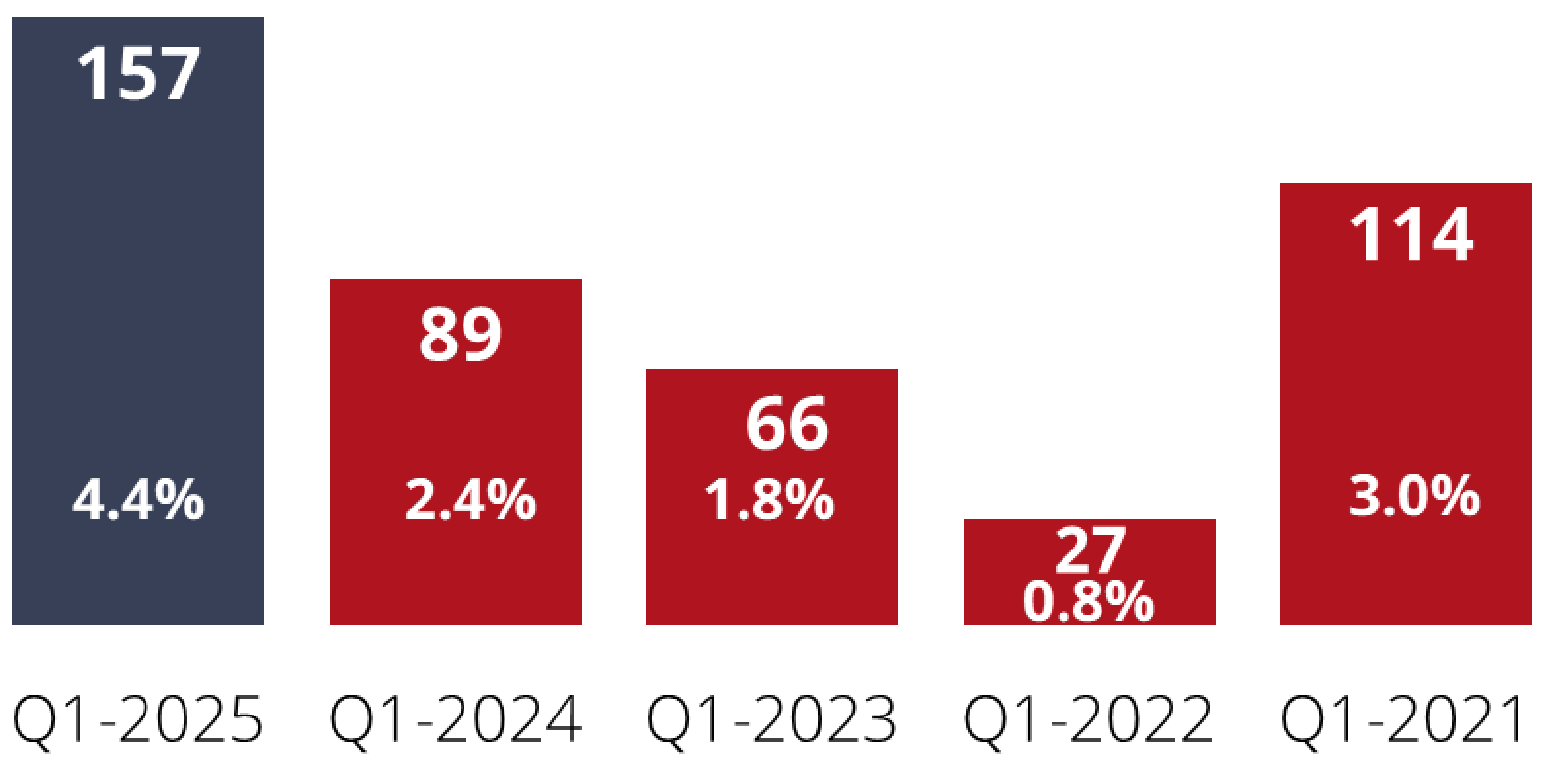
# Significant Growth in All Profitability Indicators
(NIS Millions)

EBIDTA

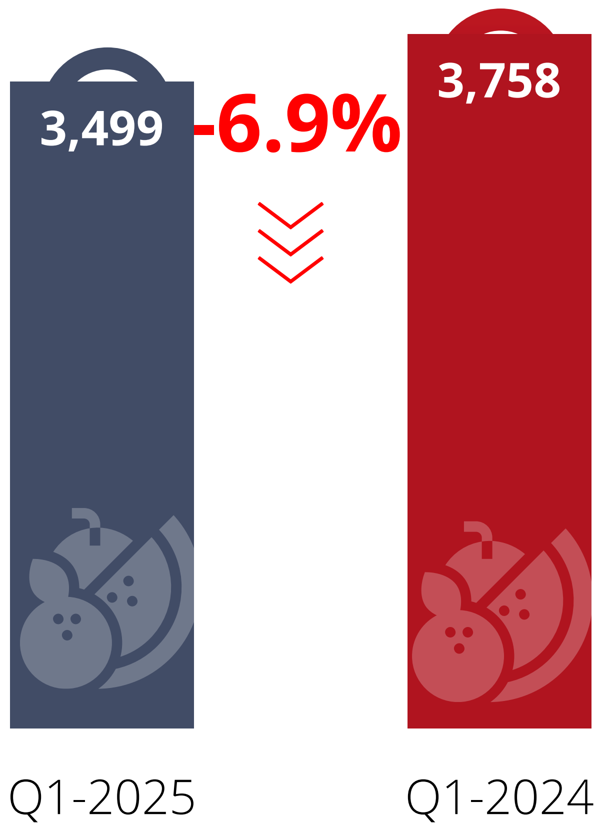



Net Profit

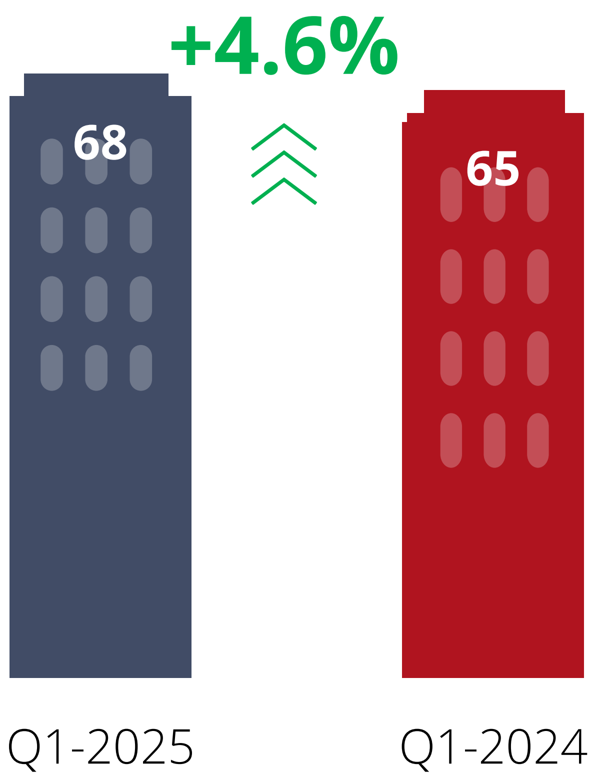


# Segment Results (NIS Millions)

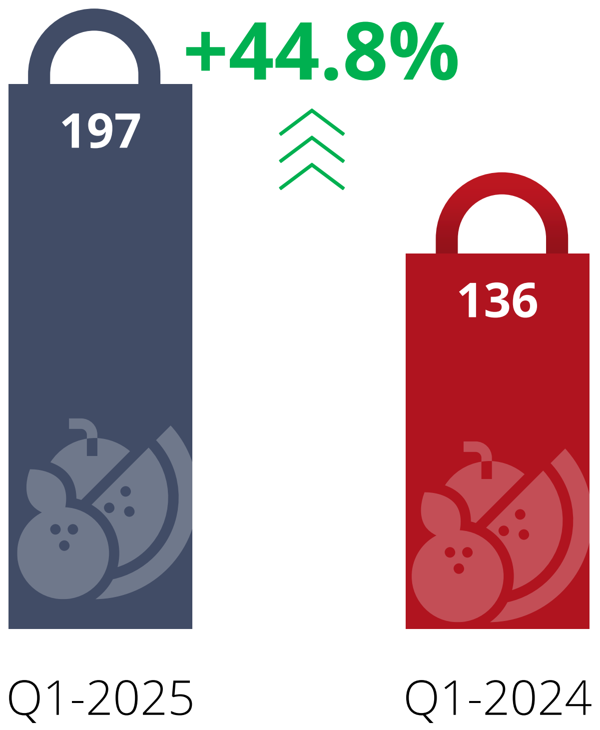
**Revenues Retail Segment**



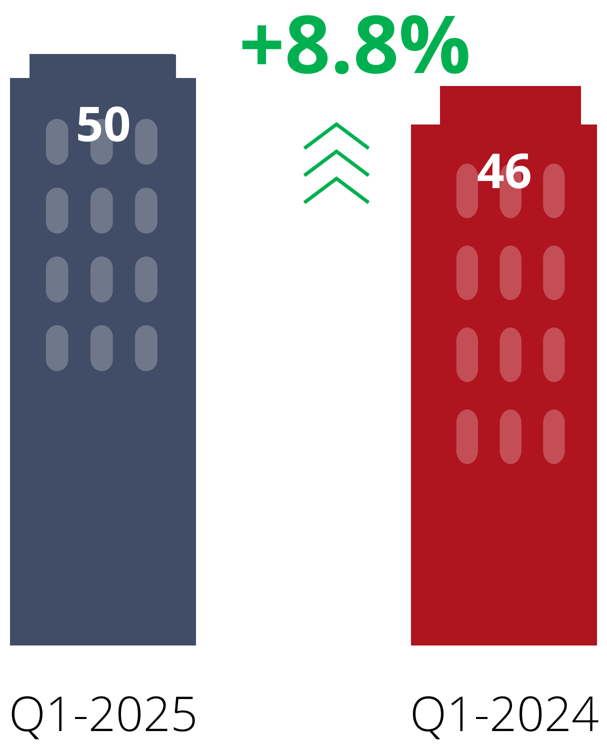

**Revenues Real Estate Segment**




**Operating Profit* Retail Segment**




**Operating Profit* Real Estate Segment**




* Before other Expenses / Income

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# Recap of Financial Positions (NIS Millions)

| | 31/03/2025 | 31/03/2024 |
|---|---|---|
| Current assets | 4,611 | 3,722 |
| Non-current assets | 10,835 | 11,475 |
| **Assets** | **15,446** | **15,197** |
| Current liabilities | 5,488 | 4,891 |
| Non-current liabilities | 6,121 | 6,831 |
| Liabilities | **11,609** | **11,722** |
| Equity | **3,837** | **3,475** |
| **Liabilities and equity** | **15,446** | **15,197** |

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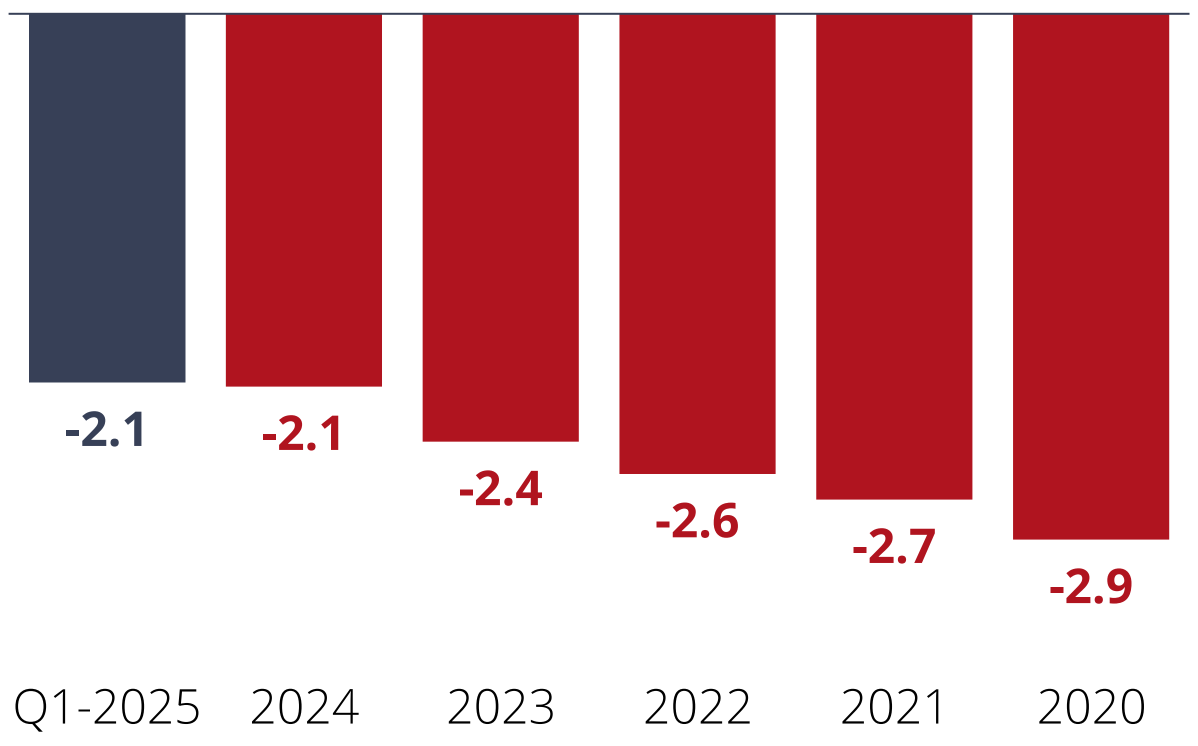
# Cash Flow (NIS Millions)

| | 1-3/2025 | 1-3/2024 | 2024 |
|---|---|---|---|
| Cash from Operating Activities | 664 | 457 | 2,238 |
| Cash used for Investing Activities* | (44) | (67) | (819) |
| Cash used for Financing Activities | (187) | (182) | (1,157) |
| **Increase in Cash and Cash Equivalents** | **433** | **208** | **262** |
| Cash and Cash Equivalents balance at the beginning of the period | 945 | 683 | 683 |
| Cash and cash equivalents at the end of the period | **1,378** | **891** | **945** |
| Short-Term Deposits at the end of the period | 1,002 | 406 | 1,038 |
| **Total cash and cash equivalents and short-term deposits at the end of period** | **2,380** | **1,297** | **1,983** |

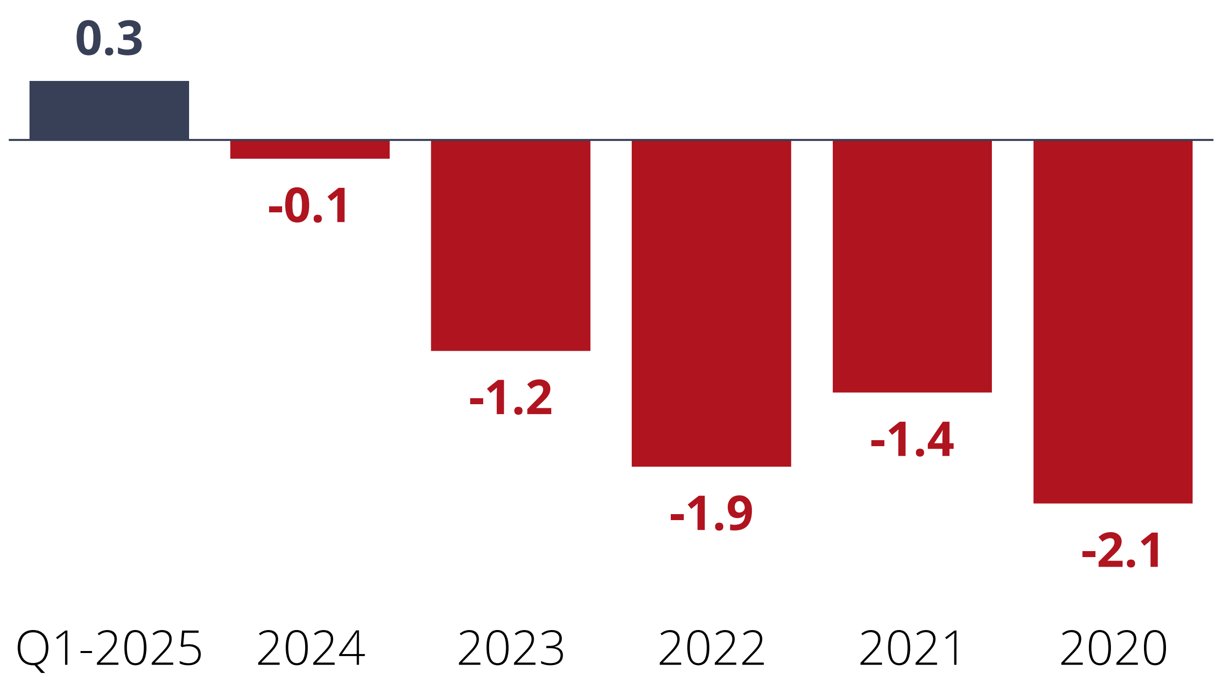
*Net from deposit redemptions

# Financial Strength (NIS Billion)

## Gross debt*




## Cash (Financial Debt) Net**




**iLAA-/Stable**
S&P Maalot rating

**iLAA /Stable**
S&P Maalot bond rating

* Bonds and credit from banking
** Gross financial debt less cash, cash equivalents and short-term deposits

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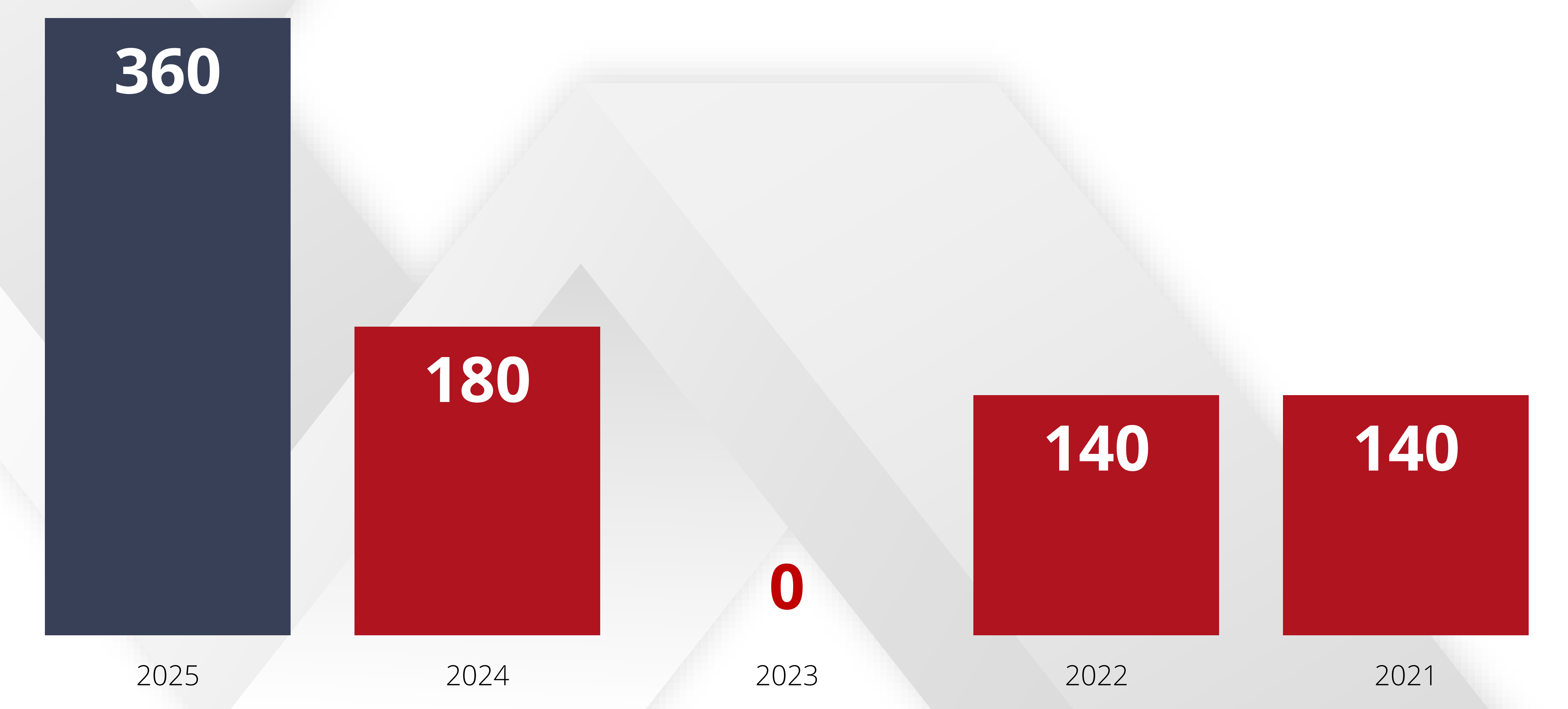
# Dividend to Shareholders (NIS Millions)



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