

Shufersal Group

Report for the First quarter of 2025



Shufersal Ltd

Report for the
first quarter of 2025

TABLE OF CONTENTS

Introduction

Part A **Board of Directors' Report on the State
of the Company's Affairs**
For the Three-Month Period Ended March 31 ,2025

Part B **Condensed Consolidated Interim
Financial Statements**
As at March 31 ,2025 (Unaudited)

Part C **Condensed Separate Interim
Financial Information**
As at March 31 ,2025 (Unaudited)

Part D **Quarterly Report on Effectiveness of Internal Control over Financial
Reporting and Disclosure; and Officers' Certifications**



SHUFERSAL

Introduction



The introduction includes, among other things, selected financial data, abbreviated information about the Company's strategy and material events and data in the reporting period presented using special graphic/visual tools, for the investors convenience. The introduction chapter does not proposit to provide a full description of the Company's activity; and should be read in conjunction with all other parts of the periodic report.

The introduction chapter may include forward-looking information, as defined in the Securities Law, 1968, including forecasts, assessments, estimates and other information concerning future events and matters. Any forward-looking information included in the introduction chapter is based on assessments and assumptions made by the Company's management as of the report's publication date. Although the Company believes that these assessments and assumptions are reasonable, they are also inherently uncertain since they are contingent upon the risks associated with the Company's activity (including the risk factors listed in Part A of the periodic report), including factors which are not under the Company's control, each of which or a combination thereof may adversely affect the Company's operational results, and in any event, also the materialization of these assessments and forecasts.

SHUFERSAL GROUP



Q1 2025

BUSINESS CARD

Shufersal Group



Approx. 3.5 B NIS
Revenue



Approx. 462 M NIS
EBITDA
(13.1.% of total Revenue)



Approx. -8.1%
Reduction in Same Store Sales



Approx. 230 M NIS
Operating Profit
(Before other income and expenses)



Approx. 3.8 B NIS
Equity



Approx. 0.3 B NIS
Net Cash



Approx. 9.4 B NIS
Market Value
close to the date of the report's publication



iIAA-/Stable
Credit Rating

Q1 2025



430

Stores Nationwide



Approx. 14.1

Thousands of Employees
(including outsourced workers)



Approx. 5.2 B NIS

Real estate asset value**
(as off 31.03.2025)



Approx. 549 K sq.m.

Commercial Space*



Approx. 610 Thousands

Credit Card Holders
(as off 31.03.2025)



Approx. 2.24 Million

Customers Club
(as off 31.03.2025)

*Gross area including sales areas and additional operating areas. In addition, the company has 2 automated shipping centers with a total area of about 50K sq.m.

**The value of real estate assets owned by the group, including investment real estate and real estate used for the group's operations

SHUFERSAL

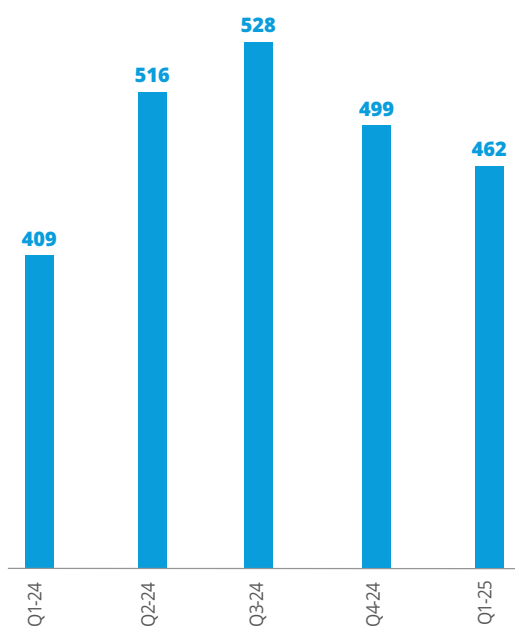
BY THE NUMBERS

Consolidated profit and loss (Millions NIS)

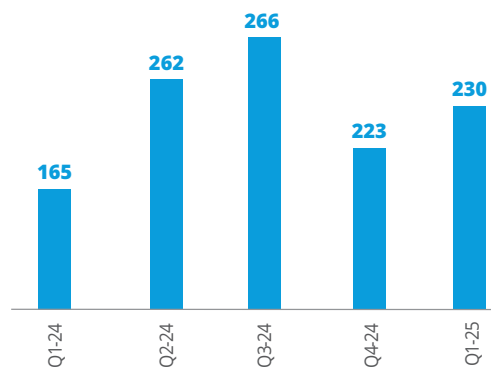
	Q1/2025	Q1/2024	Change % / Difference*
Revenue	3,529	3,786	-6.8%
Gross profit	1,047	1,027	1.9%
% Gross profit	29.7%	27.1%	*2.6%
Operating profit (Before other income and expenses)	230	165	39.4%
% Operating profit (Before other income and expenses)	6.5%	4.4%	*2.1%
Operating profit (After other income and expenses)	239	183	30.6%
% Operating profit (After other income and expenses)	6.8%	4.8%	*2.0%
Net profit	157	89	76.4%
% Net profit	4.4%	2.4%	*2.0%
EBITDA	462	409	13.0%
EBITDA %	13.1%	10.8%	*2.3%



EBITDA (Millions NIS)



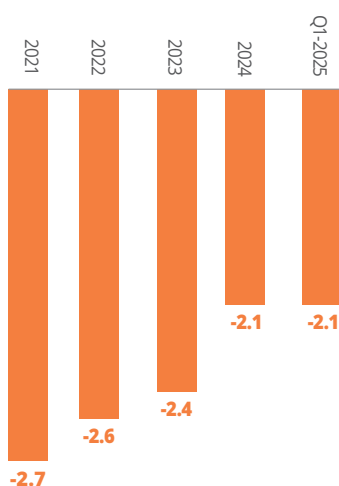
Consolidated Operating* Profit (Millions NIS)



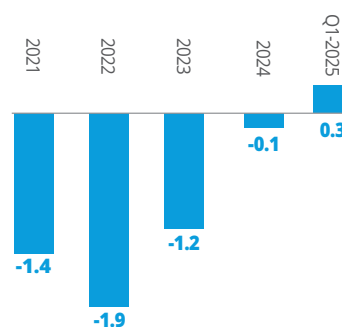
*Before other income and expenses

Debt* (Billions NIS)

Gross Debt



Net cash (financial dept)**

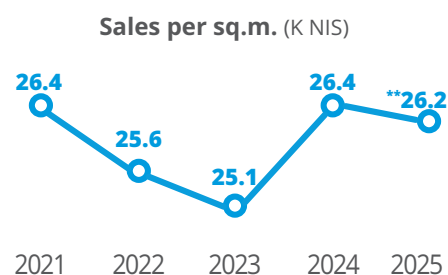
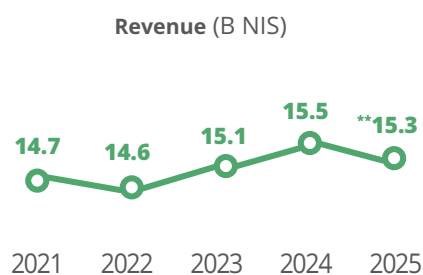


* Liabilities to banking corporations, debentures, including interest payable

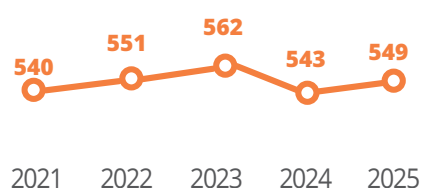
** Excluding cash and cash equivalents, short term deposits and marketable securities



Income, Sales & Commercial Space*



Commercial space*** (K sq.m.)



* Retail segment
 ** 12 LTM
 *** Gross areas

Segments (Millions NIS)

		 Retail	 Real Estate	Total*
3M/2025	Revenue	3,499	68	3,529
3M/2024	Revenue	3,758	65	3,786
	Change	-259	3	-257
3M/2025	Operating profit (Before other income and expenses)	197	50	230
3M/2024	Operating profit (Before other income and expenses)	**136	**46	165
	Change	61	4	65

* Including adjustments to the consolidated annual financial statements as described in Note 31 to the consolidated annual financial statements.

** Reclassification in accordance with note 31 of the annual financial statement regarding the update of allocation keys for the group's headquarters expenses.

BOARD OF DIRECTORS AND MANAGEMENT

Members of the Shufersal

Board of Directors

Erez Halfon | Chairman of the Board*

Yossi Amir

Iris Shapira Yalon

Avi Ben hemo

Prof. Itzhak Shapira

Moshe Attias

Michal Arlosoroff

Hezi Zaieg

Tsili Naveh

Moshe Weingarten

Shufersal Management

Yossi Amir | Co-CEO

Shlomi Amir | Co-CEO

Efrat Binshtok | Deputy CEO

Itshak Cohen-Yehonatan | Deputy CEO

Gil Weiss | Chief Finance Officer

Ella Berin | Chief Trade Officer

Aaron Kaufman | Chief Legal Officer

Eran Sela | Chief Operations and Sales Officer

Dafna Engelstein | Chief Information Officer

Shlomi Shamir | Chief Supply Chain Officer

Shlomo Reuven | Chief Security Officer

Amichai Finkelstein | Manager of Shufersal Real Estate

Ran Aharoni | Manager of "Yesh" Format

Tom Yonai | Chief Communications and Innovation Officer

Shimon Hadad | Manager of "Finances Services"

Doron Radulescu | Chief Construction and Projects Officer

Lior Laizer | Manager "Businesses" Format

Reut Refaeli Cohen | Chief Human Resources Officer

Eitan Saida | Manager "Be-Pharm" Format

Information for Shareholders and Investors

The Company's shares are traded on the Tel Aviv Stock Exchange, In the Tel Aviv index 35

Stock symbol "SAE"

Headquarters

Shufersal Ltd., Shufersal campus
30 Shmotkin Binyamin St., Rishon Lezion 7536333

www.shufersal.co.il

Contact with Shareholders

Adv. Hila Cohen Weissberg, Secretary of the Company

Shufersal Ltd. PO Box 15103, Rishon Lezion
30 Shmotkin Binyamin St., Rishon Lezion 7536333

Phone Number. 03-9481727 | Fax. 03-9480917

hilac@shufersal.co.il

Investor Relations

Tom Yonai, VP of Communication and Innovation

Phone Number. 03-9481193 | Fax. 03-9480918

tomy@shufersal.co.il

* Temporary Chairman of The Board of Directors

Part A

Board of Directors' Report on the State of the Company's Affairs

**For the Three-Month Period
Ended March 31, 2025**



Contents

- 1. Explanations of the Board to the Company's Business Affairs**
 - 1.1. Principal data regarding the business affairs of the Company**
 - 1.1.1. Description of operating segments reported in the consolidated financial statements of the Company
 - 1.1.2. Management's discussion of principal results for the first quarter of 2025
 - 1.1.3. Principal events that occurred during and subsequent to the reporting period
 - 1.2. Analysis of results of operations**
 - 1.2.1. Analysis of the results for the first quarter of 2025 as compared to the corresponding period last year
 - 1.2.2. Additional information regarding the retail segment for the first quarter of 2025 as compared to the corresponding quarter last year
 - 1.3. Financial position, liquidity and sources of finance**
 - 1.3.1. Cash flow – Analysis of results for the first quarter of 2025 as compared to the corresponding quarter last year
 - 1.3.2. Liquid asset balances and financial ratios
 - 1.3.3. Board of Directors' discussion of the Company's liquidity in view of the working capital deficit as at March 31, 2025
- 2. Description of market risks**
 - 2.1. Consumer Price Index risks**
 - 2.2. Foreign currency risks**
 - 2.3. Interest rate risks**
- 3. Corporate governance aspects**
 - 3.1 The Board of Directors and its committees**
 - 3.2 Disclosure regarding the internal auditor of the Company**
 - 3.3 Contribution to the community**
- 4. Specific disclosure for holders of bonds**
- 5. Quarterly report of outstanding liabilities by maturity dates**

Shufersal Ltd.

We hereby submit the Directors' Report of Shufersal Ltd. (hereinafter – "**Shufersal**" or "**the Company**") for the first quarter of 2025 (hereinafter – "**the reporting period**")¹, in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 (hereinafter – "**the reporting regulations**"). Shufersal together with its subsidiaries are hereinafter called "**the Shufersal Group**" or "**the Group**".

1. Explanations of the Board to the Company's Business Affairs

1.1 Principal data regarding the business affairs of the Company

Shufersal is the largest and leading food and consumer products retail group in Israel with annual revenue² of NIS 15 billion and real estate value of NIS 5.2 billion³. The Group operates 430 branches in several formats that are spread throughout the country and its commercial space amounts to 549 thousand square meters (gross). The Group also has two automated delivery centers⁴ over a total area (gross) of 50 thousand square meters.

The Group operates a customers' club, under the "Shufersal" and "Yesh" brands (hereinafter – "**the customers' club**") in which it offers to the general public, subject to certain conditions, also credit cards that grant, in the framework of the operations of the various retail formats, membership in the Group's customers' club, unique benefits (in addition to the benefits granted to the members of the Group's customers' club) and off-bank credit facilities by means of Israel Credit Cards Ltd. ("ICC") (together – "**the Group's credit cards**"). As at March 31, 2025 the Group's customers' club has 2.24 million members (including holders of the Group's credit cards) and the Group's customers hold 610 thousand valid credit cards of the Group.

The Company is a public company without a controlling shareholder. See Paragraph 3.2 of Part A of the periodic report for details completing the picture with respect to conclusion of a transaction to acquire 24.99% of the Company's share capital (at the date of the acquisition) in February 2024 by Messrs. Yosef and Shlomo Amir, the Company's co-CEOs, and a letter the Company received on April 16, 2024 from representative of Messrs. Yosef and Shlomi Amir regarding a voluntary application of certain restrictions applicable to controlling shareholders of a company.

For details regarding material events in the Group's operations during and subsequent to the reporting period and an analysis of its results of operations, see Paragraphs 1.1.3 and 1.2 hereunder.

1.1.1 Description of the operating segments reported in the consolidated financial statements of the Company

The Group operates in two operating segments that are reported in its financial statements: the retail segment and the real estate segment. For details regarding the aforesaid operating segments, see Note 6 to the Company's condensed consolidated interim financial statements as at March 31, 2025 (hereinafter – "**the financial statements**").

1.1.2 Management's discussion of the principal results for the first quarter of 2025

For details on the management's review for 2024, see Paragraph 1.1.2 to the Board of Directors' report on the state of the Company's affairs as at December 31, 2024 ("**the 2024 directors' report**") as was published by the Company on March 26, 2025 in the framework of the Company's periodic report for 2024 (reference no.: 2025-01-020500) ("**the periodic report**"). See Paragraph 1.2.1 hereunder for a discussion regarding the principal results.

¹ For purposes of this report, "the date of this report" or "the reporting date" is the date of the statement of financial position as at March 31, 2025.

² The Group's total revenue in the last four quarters.

³ The value of the real estate owned by the Group as at March 31, 2025, including investment property used by the Group in its operations.

⁴ Dedicated centers for supplying products through the Group's websites and applications.

1.1.3 **Principal events that occurred during and subsequent to the reporting period**

- A. Further to that mentioned in Paragraph 11 of Part A of the periodic report, as regards the Group's strategy, in the reporting period management of the Group continued to initiate and carry out actions to improve profitability that included, inter alia, closing losing branches, proceeding in a plan to convert branch formats (including to the new "Universe" format as described in Paragraph B hereunder), upgrading branches for improving visibility and customer experience, adapting the opening hours of branches (including closing part of the branches on Saturday night), actions to reduce sale losses and reduce deterioration of goods, adaptations for customer preferences while focusing the marketing and commercial activity in the various formats, and continuing the transformation of the private label and its adaptation to the customers' preferences. Furthermore, in the reporting period, the Group continued to implement the strategy of improving operating and financial efficiency which included, inter alia, improving trade processes and purchasing of goods, equipment and services, actions to achieve optimization of inventory and actions to reduce the working capital deficit and significantly reduce the net financial debt (which was reflected in a transition to net cash at the end of the reporting period).
- B. The Group is continuing to implement a plan to convert branches into the "Universe" format by which it expects to convert 30 branches by the end of 2025. In the reporting period 6 branches were converted into the "Universe" format and as at the date of issuing this report 9 branches have been converted.
- It is emphasized that the information regarding the number of branches expected to be converted by the end of 2025 is forward-looking information, as defined in the Securities Law – 1968, which is mainly based on the Company's assessments. This assessment may not be realized or may be realized in a different manner than was assessed, including materially different, as a result of various matters that are not under the control of the Company, including market behavior and realization of the risk factors mentioned in Paragraph 18 of the description of the Company's business.**
- C. The reporting period is characterized by external effects that included, inter alia, a general decline in consumption on the local market following the lower effect of the "Iron Swords" war (see Note 1 to the financial statements for more details regarding the "Iron Swords" war), a shortage of workers in the retail sector, rising prices of inputs in the economy (including effects of the rise in the minimum wage in April 2024), one less day in the current quarter compared to the corresponding quarter of last year and the timing of the Passover holiday as described in Paragraph D hereunder.
- D. Seasonality between quarters – In 2025 the eve of Passover was on April 12, 2025, whereas in 2024 it was on April 22. Therefore, the effect of the Passover holiday on the results of operations for the first quarter of 2025 was greater than its effect on the results of operations for the corresponding quarter last year. The timing of the Passover holiday is reflected in, inter alia, the extent of sales and intensity of campaigns and in the balances of trade receivables, inventory, trade payables and other payables.
- E. On April 8, 2025 the Company received a second letter of notice from the Competition Authority, by which the Authority is considering filing an indictment, subject to a hearing, against the Company and former officers and position holders of the Company (hereinafter – "the hearing letter"), regarding an alleged attempt of creating a restrictive arrangement in violation of the provisions of the Economic Competition Law – 1988 and an alleged violation of the prohibition on interference of a retailer at a supplier in the consumer price that is charged by a different retailer contrary to the Law for the Promotion of Competition in the Food and Pharmacy Industries – 2014. The Company has the right to present its arguments in the framework of the hearing within 30 days from the day of receiving the notice or the date of receiving the investigation materials for inspection. According to the opinion of the Company's legal advisors, it has good arguments against the alleged violations in the hearing letter.
- F. For details regarding additional material events that occurred during and subsequent to the reporting period, see Notes 5 and 9 to the financial statements.
- G. For details regarding claims and legal proceedings during and subsequent to the reporting period, see Note 7 to the financial statements.

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

1.2 Analysis of Results of Operations

1.2.1 Analysis of the results for the first quarter of 2025 as compared to the corresponding quarter last year (in NIS millions)

	Q1 2025	Q1 2024	Percentage of change	Explanation
Revenues	3,529	3,786	(6.8%)	The decrease in revenues in the first quarter of 2025 is due to a decrease in the amount of NIS 259 million in the revenues of the retail segment which was offset by an increase in the amount of NIS 3 million in the revenues from external parties in the real estate segment. The decrease in revenues in the retail segment in the reporting period is mainly due to continuing to implement the Group's strategy and the actions the Group took for focusing the commercial and marketing activity in order to improve the profitability of the retail segment, along with external effects, all as described in Paragraph 1.1.3 above. The increase in revenues from external parties in the real estate segment in the reporting period is mainly due to an increase in rental space and the effect of the rise in the CPI.
Gross profit	1,047 29.7%	1,027 27.1%	1.9%	The increase in the gross profit and in its rate from revenues in the reporting period is mainly due to focusing the commercial and marketing activity in the retail segment, as described above, along with proceeding with actions to improve operating efficiency including actions to reduce deterioration of goods and improve purchasing of equipment and services, which were reflected in an improvement in various costs that are included in the cost of revenue.
Selling, marketing, administrative and general expenses	(817) 23.2%	(862) 22.8%	(5.2%)	The decrease in expenses in the reporting period is mainly due to the effect of actions that were taken by the Group to improve operating efficiency, including processes for purchasing services, which is offset by a rise in prices of inputs in the economy including the effect of the rise in the minimum wage in April 2024. The increase in the rate of expenses in the reporting period is mainly due to a decrease in sales as described above.
Operating profit before other income	230 6.5%	165 4.4%	39.4%	The increase in the operating profit and in its rate in the reporting period is due to an improvement in gross profitability and a decrease in operating expenses, as explained above.
Increase in fair value of investment property, net	-	7		
Other income, net	9	11		In the reporting period other income is mainly due to a gain in the amount of NIS 7 million from derecognition of non-financial assets.
Operating profit after other income	239 6.8%	183 4.8%	30.6%	
Financing expenses, net	(32)	(53)	(39.6%)	The decrease in net financing expenses in the reporting period is mainly due to actions that were taken to increase the financial strength of the Group which are reflected in, inter alia, an increase in interest income on bank deposits as a result of lowering the Group's financial debt and a transition to net cash.
Share of losses of associate company	-	(9)		The change is due to realization of an investment in an associate company in 2024.
Profit before taxes on income	207	121	71.7%	The increase in the profit before taxes on income is due to the aforesaid.
Taxes on income	(50)	(32)		
Profit for the period	157 4.4%	89 2.4%	76.4%	The increase in the profit for the period is due to the aforesaid.
Profit attributable to the Company's owners	156	88		

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

	Q1 2025	Q1 2024	Percentage of change	Explanation
Profit attributable to non-controlling interests	1	1		
Basic and diluted earnings per share	0.58	0.33		
Operating profit before other income, depreciation and amortization (EBITDA)	462 13.1%	409 10.8%	13.0%	The increase in the amount of NIS 53 million is mainly due to an increase in the Group's operating profit before other income as aforesaid.

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

1.2.2 Additional information regarding the retail segment in the first quarter of March 31, 2025 as compared to the corresponding quarter last year

Presented hereunder is additional information regarding the retail segment (in NIS millions):

		Q1 2025	Q1 2024
General information			
Number of concession branches ⁵		132	119
Number of directly operated branches		298	306
Gross commercial area (in thousands of square meters) ⁶		549	549
Net commercial area (in thousands of square meters)		389	392
Human capital	Branches ⁷	13,658	15,001
	Other	421	480
Operating results			
Revenues	Direct operation	3,233	3,508
	Concessions ⁸	64	66
	Wholesale	202	184
	Other income	-	-
Cost of sales	Fixed costs	52	53
	Variable costs	2,422	2,699
Rent payments ⁹	Fixed	164	162
	Variable	4	4
Total salary expenses attributed to employees of retail operation (including expenses in respect of contract workers)		542	561
Depreciation expenses		251	262
Gross profit		1,025	1,006
Gross profit rate		29.3%	26.8%
Operating profit before other income		197	136
Operating working capital		2,412	1,574
Data on turnover and sales			
Same store sales ¹⁰		3,460	3,766
Sales per square meter (gross) ¹¹		5,960	6,347
Rate of online sales		19.8%	20.7%
Rate of private label sales		19.6%	24.0%
Growth on the level of the Group			
Rate of change in net commercial space/selling floor		-0.3%	-0.5%
Rate of change in same store sales ¹⁰ (%)		-8.1%	2.2%

⁵ Branches operated by others who are not employees of the Group.

⁶ The total area of the branches (excluding the automated delivery centers) that are operated directly and under concessions including storage areas and offices at the Group's branches.

⁷ Including all the employees of the branches, including support units and excluding headquarters personnel that are presented as "other".

⁸ Concession fees from activity at the Group's branches.

⁹ Rent expenses of all the operating assets of the area of operation.

¹⁰ Same store sales – gross sales of stores that operated fully in the corresponding periods of the two compared years.

¹¹ The areas of branches that were opened or closed in the reporting period are calculated proportionately from the date they were opened or closed, respectively. The area of the branch is the gross area including selling areas.

1.3 Financial Position, Liquidity and Sources of Finance

1.3.1 Cash flow – Analysis of the results for the first quarter of 2025 as compared with the corresponding quarter last year

Cash flow from operating activities

Net cash from operating activities amounted to NIS 664 million in the first quarter of 2025, compared with NIS 457 million in the corresponding quarter last year. The increase in cash flow from operating activities is mainly due to an increase in the profit for the period and changes in working capital items.

Cash flow used in investing activities

Net cash used in investing activities amounted to NIS 44 million in the first quarter of 2025, compared with NIS 67 million in the corresponding quarter last year.

The cash used in investing activities in the first quarter of 2025 included mainly investments in non-financial assets (property, plant and equipment, intangible assets and investment property) in the amount of NIS 105 million and on the other hand withdrawal of deposits in the amount of NIS 40 million.

The cash used in investing activities in the corresponding quarter last year included mainly investments in non-financial assets in the amount of NIS 115 million and on the other hand withdrawal of deposits in the amount of NIS 53 million.

Cash flow used in financing activities

Net cash used in financing activities amounted to NIS 187 million in the first quarter of 2025, compared with net cash used in financing activities in the amount of NIS 182 million in the corresponding quarter last year.

The cash used in financing activities in the first quarter of 2025 included mainly repayment of lease liabilities in the amount of NIS 144 million and the repayment of bonds principal and interest in the amount of NIS 39 million.

The cash used in financing activities in the corresponding quarter of last year included mainly repayment of lease liabilities in the amount of NIS 148 million and the repayment of bonds principal and interest in the amount of NIS 31 million.

1.3.2 Liquid asset balances and financial ratios

As at the end of the first quarter of 2025, the net liquid assets (cash and cash equivalents and short-term deposits less short-term credit from banks) amounted to NIS 2,368 million, compared with NIS 1,287 million in the corresponding quarter last year. As at the end of 2024, the net liquid assets amounted to NIS 1,971 million.

As at the end of the first quarter of 2025, the liabilities to the holders of bonds and to banks, including interest payable (hereinafter – “**the gross financial debt**”) amounted to NIS 2,068 million, compared with NIS 2,356 million at the end of the corresponding quarter last year.

The ratio of the Company's gross financial debt to total assets was approximately 13.4% at the end of the first quarter of 2025, compared with 15.5% in the corresponding quarter last year. Gross financial debt as at the end of 2024 amounted to NIS 2,090 million, and the ratio of gross financial debt to total assets was approximately 14.0% at that time.

Gross financial debt less cash and cash equivalents and short-term deposits (hereinafter – “**the net financial debt**” or “**net cash**”, as relevant) as at the end of the first quarter of 2025, the Company's equity amounted to net cash of NIS 312 million compared with net financial debt of NIS 1,059 million at the end of the corresponding quarter last year. The net financial debt at the end of 2024 amounted to NIS 107 million.

As at the end of the first quarter of 2025 the Company's equity amounted to NIS 3,837 million, compared with NIS 3,475 million at the end of the corresponding quarter last year. The ratio of the Company's equity to total assets was approximately 24.8% at the end of the first quarter of 2025, compared with 22.9% at the end of the corresponding quarter last year.

As at the end of 2024, the Company's equity amounted to NIS 4,039 million and the ratio of the Company's equity to total assets was approximately 27.1%.

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

1.3.3 **Board of Directors' discussion of the Company's liquidity in view of the working capital deficit as at March 31, 2025**

Presented hereunder is the composition of working capital as at March 31, 2025 and 2024 (in NIS millions):

	March 31, 2025	March 31, 2024
Current assets	4,611	3,722
Current liabilities	(5,495)	(4,891)
Total working capital	(877)	(1,169)

As at March 31, 2025, the Company has a working capital deficit (on a consolidated basis) of NIS 877 million, compared with a working capital deficit of NIS 636 million as at December 31, 2024 and a working capital deficit of NIS 1,169 million as at March 31, 2024. The Company has a working capital deficit (on a stand-alone basis) of NIS 985 million as at March 31, 2025, compared with a working capital deficit of NIS 765 million as at December 31, 2024 and a working capital deficit of NIS 1,239 million as at March 31, 2024. The decrease in the working capital deficit (on a consolidated and stand-alone basis) as at March 31, 2025 compared with March 31, 2024 is due to changes in current asset and liability items. The Company ended the first quarter of 2025 with a positive cash flow from operating activities (see Paragraph 1.3.1 above).

As at March 31, 2025, the Company has agreements with three banking institutions to provide to the Company a guaranteed credit facility. The agreements are for a period ending in December 2025, in the total amount of NIS 400 million, and the Company does not foresee any difficulty in receiving credit facilities for additional periods, insofar as it needs to do so. As at March 31, 2025 and the date of issuing this report, these credit facilities have not yet been utilized.

The assessment of the Company's accessibility to sources of credit (including issuing additional bonds, insofar as needed) and the assessment of the Company's accessibility to possible additional sources of financing, took into consideration the yield to maturity at which the Company's bonds are traded, the Company's rating, the Company's past experience in raising capital, raising debt and refinancing, the Company's aforesaid credit facilities, the Company's ability to realize real estate and the fact that the Company and its subsidiaries own significant unencumbered real estate properties. It is noted that as at the date of issuing this report, there is only a small number of liens of an insignificant amount on the assets of the Company and its subsidiaries.

In view of all the aforesaid, and taking into account the Company's accessibility to additional sources of credit and financing, and in view of the Group's balances of cash and cash equivalents and the Group's cash flow forecast for the two year period from the reporting date, the Board of Directors decided that notwithstanding the working capital deficit as at March 31, 2025, the Company does not have a liquidity problem.

It is emphasized that the information on the Company's accessibility to sources of financing and liquidity is forward-looking information, within its meaning in the Securities Law – 1968, which is mainly based on the Company's forecasts. This assessment may not be realized or may be realized in a different manner than was assessed, including materially different, as a result of, inter alia, matters that are not under the control of the Company, including market behavior and realization of the risk factors mentioned in Paragraph 18 of the description of the entity's business.

2. Description of Market Risks

No material changes have occurred during the reporting period as regarding the exposure of the Company to market risks and the management thereof in relation to the Company's reports on this matter in the directors' report for 2024. Market risks include changes in the value of financial instruments that are caused by fluctuations in interest rates, the Consumer Price Index and foreign currency exchange rates.

2.1 Consumer Price Index risks

The Group is exposed to changes in the Consumer Price Index ("the CPI") mainly in respect of CPI-linked bonds it issued that amount to NIS 651 million as at March 31, 2025 (compared with NIS 778 million as at March 31, 2024), loans from banks that amount to NIS 140 million as at March 31, 2025 (compared with NIS 145 million as at March 31, 2024) and lease liabilities that amount to NIS 4,282 million as at March 31, 2025 (compared with NIS 4,559 million as at March 31, 2024). Due to the aforesaid, the Company is exposed to CPI-linked payments in the annual amount of NIS 569 million in respect of lease liabilities, of NIS 177 million in respect of CPI-linked bonds and of NIS 12 million in respect of loans from banks.

As at March 31, 2025 the Company has swap transactions for exchanging CPI-linked NIS cash flows with fixed NIS cash flows in respect of the Company's Series F bonds. The amount of the swap transactions is NIS 267 million. The transactions are accounted for as accounting hedges. In the first quarter of 2025, the Company incurred financing income from these transactions in the amount of NIS 0.2 million, compared with NIS 0.1 million in the corresponding quarter last year.

2.2 Foreign currency risks

The Group's policy is to hedge the currency exchange rates in respect of import of goods from outside of Israel.

As at March 31, 2025, the Company has forward contracts on the rate of the dollar in the amount of US\$ 11 million for settlement until September 2025 and forward contracts on the rate of the euro in the amount of € 15 million for settlement until September 2025. In the first quarter of 2025, the Company incurred financing income in the amount of NIS 1.7 million in respect of those contracts, compared with NIS 1.4 million in the corresponding quarter last year. The Group's exposure to foreign currency risks is immaterial.

2.3 Interest risks

The Group is not exposed to material changes in market interest rates since its financial assets and liabilities are mainly fixed rate. Therefore, a 1% change in the interest rate is not expected to have a material effect on the results of operations.

3. Corporate Governance

3.1 The Company's Board of Directors and its committees

There are no material changes compared to the information included in Section 3 of the Board of Directors' report for 2024. It is noted that on May 4, 2025 a special general meeting of the Company approved the appointment of Mr. Avi Ben Hamo as an external director in the Company for a first term of three years, beginning on May 18, 2025. It is also noted that on May 23, 2025 Mr. Eldad Avraham ceased serving as an external director in the Company after a term of nine years.

3.2 Disclosure regarding the internal auditor of the Company

Particulars of the internal auditor

1. The name of the Company's internal auditor – Joseph Ginossar, CPA, from the accounting firm of Fahn Kanne.
2. First date of service: April 1, 2025.
3. The internal auditor complies with the conditions provided in Section 3(a) of the Internal Audit Law – 1992 (hereinafter – “**the Internal Audit Law**”).
4. The internal auditor complies with the provisions of Section 146(b) of the Companies Law and the provisions of Section 8 of the Internal Audit Law.
5. The internal auditor is not an interested party of the Company and is not related to an interested party or an officer of the Company, and does not serve as the Company's external auditor or on its behalf. The internal auditor does not fill any other position in the Company besides internal auditor. In addition the internal auditor does not hold any securities of the Company.
6. To the best of the Company's knowledge, the internal auditor and his staff do not have material business connections or any other material connections with the Company or a related party of the Company.
7. The internal auditor serves as a senior officer in accordance with the law.

Appointment of the internal auditor

At its meeting on February 27, 2025 the Board of Directors approved the appointment of the internal auditor (after being approved by the Company's audit committee) according to the provisions of the Internal Audit Law. The reasons for approving the appointment were, inter alia, his education, Mr. Ginossar's skills and experience and particularly with companies of the Company's type, his professionalism and the reasonableness of his offer, and taking note of, inter alia, the Company's type, its size, its volume of activity and the complexity of its activity.

Identity of the organizational function in charge of the internal auditor

The internal auditor reports to the Company's Chairman of the Board of Directors.

The work plan and the considerations it is based on

The annual work plan is submitted by the internal auditor and is approved by the Company's Audit Committee. The annual work plan for 2025 was approved by the Audit Committee in April 2025 after Mr. Yossi Ginossar began his term. The work plan was prepared on the basis of the Company multi-year plan, which was prepared based on a risk survey that was conducted in the Company and was validated in February 2024. In the opinion of the Audit Committee the plan responds to the matters that arose in the risk survey and also monitors implementation of the recommendations of previous audits in the Company.

Audit of material investee companies of the Company

The internal audit plan includes audits of companies controlled by the Company.

3.3 Contribution to the community

A. Donations

Further to that mentioned in paragraph A of section 3.5 of the directors' report for 2024, the Group has donated an amount of NIS 1.4 million in the reporting period.

B. Contribution activities

As mentioned in paragraph C of section 3.5 of the directors' report for 2024, cash or cash equivalent (foodstuffs) in the amount of about NIS 1.5 million was donated in the reporting period in the framework of the contribution activities.

In the reporting period there were no donations higher than NIS 50 thousand to any one particular organization, other than donations to 4 associations neither of which has connections to the Company, a director and/or the CEO of the Company.

4. Specific Disclosure for Holders of Bonds

Data as at March 31, 2025

Series	Date of issuance	Par value on date of issuance (NIS millions)	Proceeds on date of issuance net of issuance expenses (NIS millions)	Carrying amount (NIS millions)*	Balance of par value, excluding linkage (NIS millions)	Balance of par value, including linkage (NIS millions)	Accumulated interest (NIS millions)	Stock market/fair value (NIS millions)	Type of interest	Effective interest rate on date of issuance	Stated interest	Principal payment date		Interest payment dates	Type of linkage
												First date	Last date		
Series D	Oct. 2013	472	468	172	148	170	2	175	Fixed	3.12%	2.99%	Oct. 8, 2014	Oct. 8, 2029	Annual interest on Oct. 8 of each year between 2014 and 2029	CPI
Series E	Oct. 2013	448	444	143	140	140	3	145	Fixed	5.23%	5.09%	Oct. 8, 2014	Oct. 8, 2029	Annual interest on Oct. 8 of each year between 2014 and 2029	Unlinked
	Nov. 2016	463	**473	185	178	178	4	184	Fixed	4.50%	5.09%	Oct. 8, 2017	Oct. 8, 2029	Annual interest on Oct. 8 of each year between 2017 and 2029	Unlinked
	Jan. 2018	476	563	217	198	198	5	204	Fixed	2.12%	5.09%	Oct. 8, 2018	Oct. 8, 2029	Annual interest on Oct. 8 of each year between 2018 and 2029	Unlinked

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

Series	Date of issuance	Par value on date of issuance (NIS millions)	Proceeds on date of issuance net of issuance expenses (NIS millions)	Carrying amount (NIS millions)*	Balance of par value, excluding linkage (NIS millions)	Balance of par value, including linkage (NIS millions)	Accumulated interest (NIS millions)	Stock market/fair value (NIS millions)	Type of interest	Effective interest rate on date of issuance	Stated interest	Payment date of principal		Interest payment dates	Type of linkage
												First date	Last date		
Series F	Sep. 2015	317	313	165	141	163	3	172	Fixed	4.44%	4.3%	Oct. 8, 2020	Oct. 8, 2028	Annual interest on Oct. 8 of each year between 2016 and 2028	CPI
	Jul. 2016	601	**643	314	267	309	6	325	Fixed	4.50%	4.3%	Oct. 8, 2020	Oct. 8, 2028	Annual interest on Oct. 8 of each year between 2016 and 2028	CPI
Series G	Jan. 2019	555	549	472	472	472	2	456	Fixed	3.69%	3.52%	Feb. 20, 2022	Aug. 20, 2030	Semi-annual interest on Aug. 20 and Feb. 20 of each year between 2020-2030	Unlinked
	Apr. 2020	300	312	260	255	255	1	247	Fixed	2.97%	3.52%	Feb. 20, 2022	Aug. 20, 2030	Semi-annual interest on Aug. 20 and Feb. 20 of each year between 2020-2030	Unlinked
		3,632	3,765	1,928	1,799	1,885	26	1,908							

* Carrying amount – The carrying amount of the principal plus interest discounted according to the effective interest rate on the date of issuance and linked to the CPI at the reporting date (Series E and Series G bonds are not linked to the CPI).

** No cash consideration was received in respect of those issues, which were executed as part of an exchange offer for Series B bonds of the Company as discussed in Note 17 to the Company's consolidated financial statements as at December 31, 2017. The considerations above refer to the par value of Series B bonds exchanged in the purchase offer (including accrued interest).

Notes:

1. On February 20, 2025 the Company paid principal and interest on the Series G bonds in the total amount of NIS 39 million.
2. Payments on account of bond principal in Series D, E and F are annual payments. The payments on account of the Series G bonds are 18 semi-annual unequal payments to be paid on February 20 and August 20 of each of the years 2022 through 2030 (inclusive) (six are payments of 2% of the principal, two payments are 3% of the principal, two payments are 6% of the principal, two payments are 7% of the principal, four are 9% of the principal and two are 10% of principal).
3. The trustee of the Series D bonds and Series E bonds is Reznik Paz Nevo Trustees Ltd., from 14 Yad Haroutzim St., Tel-Aviv (tel. 03-6389200, fax. 03-6389222). The contact person at the trustee for the Series D bonds and Series E bonds is Mr. Yossi Reznik, CPA, e-mail: Trust@rpn.co.il
The trustee of the Series F bonds is Strauss Lazar Trust Company (1992) Ltd., from 94 Yigal Alon St., Alon Tower 2, Tel Aviv (tel. 03-6237777, fax. 03-5613824). The contact person at the trustee for the Series F bonds is Mr. Ori Lazer, CPA and Adv., e-mail: ori@slcpa.co.il
The trustee of the Series G bonds is Hermetic Trust (1975) Ltd., from 30 Sheshet Hayamim Road, Bnei Braq (tel. 03-5544553, fax. 03-5271736). The contact persons at the trustee for the Series G bonds are Ms. Merav Ofer-Oren and/or Mr. Dan Avnon, e-mail: hermetic@hermetic.co.il.
4. In the first quarter of 2025 and up to the date of issuing this report, the Company is in compliance with all the conditions and liabilities under the trust deeds of the outstanding bonds and there is no cause for demanding immediate repayment of the Company's outstanding bonds.
5. The Company's outstanding Series D, E, F and G bonds are material. All the series of bonds are listed for trade on the Tel Aviv Stock Exchange.
6. Among the causes for immediate repayment of the Series D, E, F and G bonds is also the event of another debt of the Company to a bank and/or other financial institution being called for immediate repayment, providing that the total amount called for immediate repayment is higher than NIS 300 million, or another outstanding series of the Company's bonds being called for immediate repayment (not initiated by the Company) (in Series D and E, the cause of cross-default of other bonds series was conditioned on the amount of the other series called for immediate repayment being at least NIS 40 million); all according to the terms provided in the trust deeds under which the relevant bond series were issued.
7. In accordance with the terms of the trust deeds of the Company's Series D, E, F and G bonds, the Company is permitted to early redeem (fully or partially) the Series D, E, F and G bonds. For additional details, see Paragraph 9.2 of the trust deed of the Series D bonds and Paragraph 9.2 of the trust deed of the Series E bonds (as detailed in the trust deed's annex of the Company's shelf prospectus dated May 30, 2012 and as amended on September 30, 2013), Paragraph 9.2 of the trust deed of the Series F bonds as detailed in the trust deed's annex of the Company's shelf registration statement dated September 3, 2015 that was issued in accordance with the Company's shelf prospectus dated June 25, 2015, and Paragraph 9.2 of the trust deed of the Series G bonds, as detailed in the trust deed's annex of the Company's shelf registration statement dated January 16, 2019.
8. The Company's Series D, E, F and G bonds include financial covenants. See Note 17 to the annual financial statements, which are a part of the periodic report, for further details regarding the terms of the Company's Series D, E, F and G bonds, including a commitment to comply with financial covenants, a commitment to not create a current pledge, and restrictions relating to dividend distribution.

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

Presented hereunder are the results of calculating the financial covenants committed to by the Company in accordance with the terms of the Series D, E, F and G bonds (and in accordance with the terms of the Company's credit facilities) as at March 31, 2025:

Financial covenant	Calculation results As at March 31, 2025
Ratio of net (financial) debt to total balance sheet shall not exceed 60%	(2.0%) ¹²
The Company's total equity (including non-controlling interests) shall not fall below NIS 550 million (with respect to Series D, E and F bonds) and NIS 800 million (with respect to Series G bonds)	NIS 3,837 million

Presented hereunder are the results of calculating the dividend distribution restrictions that apply to the Company in accordance with the terms of the Series D, E, F and G bonds (and in accordance with the Company's credit facilities) as at March 31, 2025:

Restriction	Calculation results as at March 31, 2025
The Company's total equity (including non-controlling interests) shall not fall below NIS 750 million (with respect to Series D, E and F bonds) and NIS 1,000 million (with respect to Series G bonds)	NIS 3,837 million
Ratio of the Company's net (financial) debt to annual EBITDA shall not exceed 7 (with respect to Series D, E and F bonds) and 5 (with respect to Series G bonds)	(0.16) ¹²

Details regarding the credit rating of the Company

As at the date of this report the Company's rating is (AA-) Stable and its bonds are rated (AA), in accordance with the Company's rating affirmation by Ma'alot from October 2024. For details regarding the rating affirmation of the Company and its bonds, see the Company's immediate report of October 14, 2024 (reference no. 2024-15-610605).

¹² As at March 31, 2025 the balance of cash and cash equivalents and short-term deposits is higher than the balance of gross financial debt.

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

Information on the rating of outstanding bonds

Series	Name of rating company	Current rating and current outlook	Rating on date of issuance	Additional ratings between the original date of issuance and the date of this report	
				Date	Rating
Series D – Bonds listed for trade	Ma'alot	ilAA	ilA+ Negative	October 3, 2013 (initial rating)	ilA+ Negative
				April 23, 2014 (affirmation of rating)	ilA+ Stable
				May 6, 2015 (lowering of rating and affirmation of rating outlook)	ilA Stable
				May 26, 2016 (affirmation of rating and raising of rating outlook)	ilA Positive
				September 20, 2016 (raising of rating and raising of rating outlook)	ilA+ Stable
				May 28, 2017 (affirmation of rating and raising of rating outlook)	ilA+ Positive
				January 15, 2018 (raising of rating and update of rating outlook)	ilAA- Stable
				March 19, 2018 (raising of rating)	ilAA
				October 6, 2019 (affirmation of rating)	ilAA
				September 24, 2020 (affirmation of rating)	ilAA
				October 3, 2021 (affirmation of rating)	ilAA
				October 3, 2022 (affirmation of rating)	ilAA
				October 16, 2023 (affirmation of rating)	ilAA
				October 14, 2024 (affirmation of rating)	ilAA

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

Series	Name of rating company	Current rating and current outlook	Rating on date of issuance	Additional ratings between the original date of issuance and the date of this report	
				Date	Rating
Series E – Bonds listed for trade	Ma'alot	ilAA	ilA+ Negative	October 3, 2013 (initial rating)	ilA+ Negative
				April 23, 2014 (affirmation of rating)	ilA+ Stable
				May 6, 2015 (lowering of rating and affirmation of rating outlook)	ilA Stable
				May 26, 2016 (affirmation of rating and raising of rating outlook)	ilA Positive
				September 20, 2016 (raising of rating and affirmation of rating outlook)	ilA+ Stable
				November 15, 2016 (initial rating for expansion of series)	ilA+ Stable
				May 28, 2017 (affirmation of rating and raising of rating outlook)	ilA+ Positive
				January 15, 2018 (raising of rating and update of rating outlook)	ilAA- Stable
				January 21, 2018 (expansion of series)	ilAA- Stable
				March 19, 2018 (raising of rating)	ilAA
				October 6, 2019 (affirmation of rating)	ilAA
				September 24, 2020 (affirmation of rating)	ilAA
				October 3, 2021 (affirmation of rating)	ilAA
				October 3, 2022 (affirmation of rating)	ilAA
				October 16, 2023 (affirmation of rating)	ilAA
				October 14, 2024 (affirmation of rating)	ilAA

Board of Directors' Report on the State of the Company's Affairs for the Three-Month Period Ended March 31, 2025

Shufersal Ltd.

Series	Name of rating company	Current rating and current outlook	Rating on date of issuance	Additional ratings between the original date of issuance and the date of this report	
				Date	Rating
Series F – Bonds listed for trade	Ma'alot	ilAA	ilA Stable	September 2, 2015 (initial rating)	ilA Stable
				May 26, 2016 (affirmation of rating and raising of rating outlook)	ilA Positive
				July 11, 2016 (initial rating for expansion of the series)	ilA
				September 20, 2016 (raising of rating and affirmation of rating outlook)	ilA+ Stable
				May 28, 2017 (affirmation of rating and raising of rating outlook)	ilA+ Positive
				January 15, 2018 (raising of rating and update of rating outlook)	ilAA- Stable
				March 19, 2018 (raising of rating)	ilAA
				October 6, 2019 (affirmation of rating)	ilAA
				September 24, 2020 (affirmation of rating)	ilAA
				October 3, 2021 (affirmation of rating)	ilAA
				October 3, 2022 (affirmation of rating)	ilAA
				October 16, 2023 (affirmation of rating)	ilAA
				October 14, 2024 (affirmation of rating)	ilAA
Series G – Bonds listed for trade	Ma'alot	ilAA	ilA Stable	January 16, 2019 (initial rating)	ilAA
				October 6, 2019 (affirmation of rating)	ilAA
				April 5, 2020 (expansion of series)	ilAA
				September 24, 2020 (affirmation of rating)	ilAA
				October 3, 2021 (affirmation of rating)	ilAA
				October 3, 2022 (affirmation of rating)	ilAA
				October 16, 2023 (affirmation of rating)	ilAA
				October 14, 2024 (affirmation of rating)	ilAA

5. Quarterly Report of Outstanding Liabilities by Maturity Dates

For data regarding the outstanding liabilities of the Company as at March 31, 2025, see the immediate report on outstanding liabilities by maturity dates that was issued by the Company on the date of issuing the financial statements, which the information included in it is incorporated in this report by reference.

The Company's Board of Directors and Management wish to express their appreciation and thanks to the managers and employees of the Company for their professional and dedicated work and their contribution to the Company.

Erez Halfon
Chairman of the Board

Shlomo Amir
Co-CEO

Yosef Amir
Co-CEO

May 28, 2025

Part B

Condensed Consolidated Interim Financial Statements

As at March 31, 2025 (Unaudited)



Condensed Consolidated Interim Financial Statements as at March 31, 2025 (Unaudited)

Contents

	Page
Auditors' Review Report	2
Condensed Consolidated Interim Financial Statements:	
Condensed Consolidated Interim Statements of Financial Position	3
Condensed Consolidated Interim Statements of Income	5
Condensed Consolidated Interim Statements of Comprehensive Income	6
Condensed Consolidated Interim Statements of Changes in Equity	7
Condensed Consolidated Interim Statements of Cash Flows	9
Notes to the Condensed Consolidated Interim Financial Statements	11



Auditor's Review Report to the Shareholders of Shufersal Ltd.

Introduction

We have reviewed the accompanying financial information of Shufersal Ltd. and subsidiaries (hereinafter - the "Company"), comprising of the condensed consolidated statement of financial position as of March 31, 2025 and the condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended. The Company's board of directors and management are responsible for the preparation and presentation of the financial information for this interim period in accordance with IAS 34, "Interim Financial Reporting", and are also responsible for the preparation of the financial information for this interim period in accordance with Section D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on the financial information for this interim period based on our review.

We did not review the condensed interim financial information of a consolidated company whose assets included in consolidation constitute approximately 2.8% of total consolidated assets as of March 31, 2025, and whose revenues included in consolidation constitute approximately 0.3% of total consolidated revenues for the three-month period then ended. The condensed interim financial information of that company was reviewed by other auditors, whose review report has been furnished to us and our conclusion, insofar as it relates to the financial information of that company, is based solely on the review reports of the other auditors.

Scope of review

We conducted our review in accordance with Standard on Review Engagements (Israel) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Institute of Certified Public Accountants in Israel. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review report of other auditors, nothing has come to our attention that causes us to believe that the accompanying financial information was not prepared, in all material respects, in accordance with IAS 34.

In addition to that mentioned in the previous paragraph, based on our review and the review report of other auditors, nothing has come to our attention that causes us to believe that the accompanying financial information does not comply, in all material respects, with the disclosure requirements of Section D of the Securities Regulations (Periodic and Immediate Reports) 1970.

Tel-Aviv, Israel
May 28, 2025

Kesselman & Kesselman
Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers International Limited

Condensed Consolidated Interim Statements of Financial Position

	March 31 2025	March 31 2024	December 31 2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Assets			
Cash and cash equivalents	1,402	891	945
Short-term deposits	1,002	406	1,038
Trade receivables	1,058	1,067	975
Other receivables	167	246	138
Inventory	977	1,141	878
Total current assets	4,606	3,751	3,974
Investment in associate	-	53	-
Capital notes of associate	-	63	-
Receivables and debit balances	105	117	108
Other investments	29	29	29
Property, plant and equipment	3,380	3,573	3,398
Investment property	1,549	1,525	1,540
Intangible assets	1,548	1,554	1,546
Right-of-use assets	4,080	4,380	4,171
Deferred taxes	156	152	156
Total non-current assets	10,847	11,446	11,948
Total assets	15,453	15,197	14,922

* Reclassified – see Note 10 to the annual financial statements.

Signed on behalf of the Board of Directors:

Erez Halfon Chairman of the Board of Directors

Shlomo Amir Co-CEO

Yosef Amir Co-CEO

Gil Weiss Chief Financial Officer

Date of approval: May 28, 2025

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Financial Position

	March 31 2025	March 31 2024	December 31 2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Liabilities			
Current maturities of liabilities to banks	12	10	12
Current maturities of bonds	360	326	328
Current maturities of lease liabilities	437	435	437
Trade payables	2,547	2,407	2,407
Other payables	2,080	1,645	1,365
Provisions	59	68	61
Total current liabilities	5,495	4,891	4,610
Liabilities to banks	128	135	131
Bonds	1,568	1,885	1,619
Lease liabilities	3,845	4,124	3,945
Employee benefits, net	271	259	265
Other liabilities	84	216	89
Deferred taxes	225	212	224
Total non-current liabilities	6,121	6,831	6,273
Equity			
Share capital	245	245	245
Share premium	1,649	1,649	1,649
Reserves	74	79	74
Treasury shares	(85)	(85)	(85)
Retained earnings	1,850	1,486	2,053
Total equity attributable to owners of the Company	3,733	3,374	3,936
Non-controlling interests	104	101	103
Total equity	3,837	3,475	4,039
Total liabilities and equity	15,453	15,197	14,922

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Income

	Three months ended		Year ended
	March 31 2025	March 31 2024	December 31 2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Revenues	3,529	3,786	15,644
Cost of revenues	2,482	2,759	11,213
Gross profit	1,047	1,027	4,431
Selling and marketing expenses	770	801	3,296
General and administrative expenses	47	61	219
Total selling, marketing, general and administrative expenses	817	862	3,515
Operating profit before other income	230	165	916
Increase in fair value of investment property, net	-	7	1
Other income, net	9	11	76
Total other income, net	9	18	77
Operating profit after other income	239	183	993
Financing expenses	(64)	(70)	(300)
Financing income	32	17	157
Financing expenses, net	(32)	(53)	(143)
Share in losses of associate	-	(9)	(18)
Profit before taxes on income	207	121	832
Taxes on income	(50)	(32)	(167)
Profit for the period	157	89	665
Profit attributable to:			
Owners of the Company	156	88	657
Non-controlling interests	1	1	8
Profit for the period	157	89	665
<u>Earnings per share</u>			
Basic and diluted earnings per share (in NIS)	0.58	0.33	2.47

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Comprehensive Income

	Three months ended		Year ended
	March 31	March 31	December 31
	2025	2024	2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Profit for the period	157	89	665
Other comprehensive income (loss) items that after initial recognition in comprehensive income were or will be transferred to profit or loss			
Effective portion of the change in fair value of cash flow hedges	-	1	(4)
Net change in fair value included in cost of hedging reserve	*_	*_	*_
Taxes on other comprehensive income items that were initially recognized in comprehensive income and will be transferred to profit or loss	*_	*_	1
Total other comprehensive income (loss) for the period that after initial recognition in comprehensive income was or will be transferred to profit or loss, net of tax	-	1	(3)
Other comprehensive income (loss) items that will not be transferred to profit or loss			
Remeasurement of defined benefit plan	-	-	(1)
Revaluation of property, plant and equipment classified as investment property	-	-	(2)
Taxes on other comprehensive income items that will not be transferred to profit or loss	-	-	1
Total other comprehensive loss for the period that will not be transferred to profit or loss, net of tax	-	-	(2)
Other comprehensive income (loss) for the period	-	1	(5)
Total comprehensive income for the period	157	90	660
Total comprehensive income attributable to:			
Owners of the Company	156	89	652
Non-controlling interests	1	1	8
Total comprehensive income for the period	157	90	660

* Indicates an amount less than NIS 1 million.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserves	Treasury shares	Retained earnings		
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
For the three months ended							
March 31, 2025 (unaudited)							
Balance as at January 1, 2025	245	1,649	74	(85)	2,053	103	4,039
Share based payment	-	-	-	-	1	-	1
Dividends to shareholders	-	-	-	-	(360)	-	(360)
Profit for the period	-	-	-	-	156	1	157
Other comprehensive income for the period	-	-	-	-	-	-	1
Balance as at March 31, 2025	245	1,649	74	(85)	1,850	104	3,837
For the three months ended							
March 31, 2024 (unaudited)							
Balance as at January 1, 2024	245	1,649	78	(85)	1,582	99	3,568
Share based payment	-	-	-	-	(4)	1	(3)
Dividends to shareholders	-	-	-	-	(180)	-	(180)
Profit for the period	-	-	-	-	88	1	89
Other comprehensive income for the period	-	-	1	-	-	-	1
Balance as at March 31, 2024	245	1,649	79	(85)	1,486	101	3,475

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Share premium	Capital reserves	Treasury shares	Retained earnings	Total		
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
For the year ended								
December 31, 2024 (audited)								
Balance as at January 1, 2024	245	1,649	78	(85)	1,582	3,469	99	3,568
Share based payment	-	-	-	-	(5)	(5)	(4)	(9)
Exercise of employee options	*_	*_	-	-	-	-	-	-
Vesting of restricted shares granted to employees	*_	*_	-	-	-	-	-	-
Dividends to shareholders								
Profit for the year	-	-	-	-	657	657	8	665
Other comprehensive loss for the year	-	-	(4)	-	(1)	(5)	-	(5)
Balance as at December 31, 2024	245	1,649	74	(85)	2,053	3,936	103	4,039

* Indicates an amount lower than NIS 1 million.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

	Three months ended		Year ended
	March 31	March 31	December 31
	2025	2024	2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Cash flows from operating activities			
Profit for the period	157	89	665
Adjustments for:			
Depreciation of property, plant and equipment	103	108	471
Amortization of right-of-use assets	108	114	472
Amortization of intangible assets	21	22	93
Taxes on income included in income statements	50	32	167
Income taxes paid, net	(63)	(21)	(96)
Financing expenses, net	32	53	143
Share in losses of associate	-	9	18
Increase in fair value of investment property, net	-	(7)	(1)
Change in employee benefits	3	(3)	(9)
Gain on sale of non-financial assets	(2)	(9)	(24)
Changes in estimates in respect of non-financial assets	(6)	(2)	(7)
Share-based payment	1	(3)	(9)
Gain from sale of associate	-	-	(44)
Change in trade receivables	(83)	(70)	22
Change in other receivables	(23)	(24)	86
Change in inventory	(99)	(149)	85
Change in trade payables	136	126	154
Change in other payables, provisions and other	365	192	52
Net cash from operating activities	700	457	2,238
Cash flows used in investing activities			
Purchase of property, plant and equipment	(80)	(73)	(265)
Proceeds from sale of property, plant and equipment	4	2	7
Investment in intangible assets	(28)	(39)	(102)
Investment in investment property	(9)	(3)	(9)
Consideration from sale of associate	-	-	78
Change in cash in respect of futures contracts, net	(2)	-	3
Investment in associate	-	(18)	(18)
Redemption of (investment in) deposits, net	40	53	(570)
Interest received	19	11	57
Net cash used in investing activities	(56)	(67)	(819)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

	Three months ended		Year ended
	March 31	March 31	December 31
	2025	2024	2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Cash flows from financing activities			
Repayment of principal of bonds	(26)	(17)	(290)
Repayment of principal of loans from banks and others	(3)	(2)	(9)
Interest paid	(14)	(15)	(97)
Repayment of principal and interest of lease liabilities	(144)	(148)	(583)
Exercise of option to acquire rights in subsidiary	-	-	(5)
Dividend paid	-	-	(180)
Proceeds in respect of hedging transactions	-	-	7
Net cash used in financing activities	(187)	(182)	(1,157)
Change in cash and cash equivalents	457	208	262
Cash and cash equivalents at the beginning of the period	945	683	683
Cash and cash equivalents at the end of the period	1,402	891	945

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 1 - General

The reporting entity

Shufersal Ltd. (hereinafter – the “Company” and/or “Shufersal”) is an Israeli resident company incorporated in Israel. The address of the Company’s registered office is 30 Benjamin Shmotkin Street, Rishon-Le-Zion. The condensed consolidated interim financial statements of the Group as at March 31, 2025 comprise the Company, its subsidiaries (hereinafter together – “the Group”) and the Company’s rights in joint arrangements. The Group is involved in two areas of activity: [1] Retail activity – marketing and selling of food, pharmacy and other products to private customers, businesses, retailers and institutional entities by means of operating physical stores in various formats and online; management of a customer loyalty program (also by means of managing a credit card loyalty program) and the manufacture of baked products that are sold mainly in the Company's branches; and [2] Real estate activity (by means of Shufersal Real Estate Ltd., a wholly owned subsidiary of the Company) – upgrading and leasing out various types of real estate including commercial centers and other properties. The real estate activity includes also properties leased out to external parties and properties leased out to the Group and used in its operations. The securities of the Company are registered for trade on the Tel Aviv Stock Exchange.

The Company is a company without a controlling shareholder, as the term “control” is defined in Section 1 of the Securities Law, 1968. On February 29, 2024 the Company received a notice on behalf of Messrs. Yosef and Shlomo Amir, by which they had completed, by means of companies controlled by them, the acquisition of 24.99% of the Company’s share capital. Furthermore, on April 16, 2024 the Company received a letter from the representative of Messrs. Yosef and Shlomi Amir regarding a voluntary application of certain restrictions applicable to controlling shareholders of a company, further to a discussion that was held on the matter with the Securities Authority staff.

Effect of the Iron Swords war

The “Iron Swords” war broke out in Israel on October 7, 2023 and is still ongoing at the reporting date. In order to deal with the threats of the war, Israel took certain actions that included a wide scale mobilization of army reserves for long periods of time, evacuating dozens of communities located in the south of Israel, around the Gaza strip and in the north of Israel, on the border with Lebanon, temporarily or partly closing certain businesses, imposing various restrictions on civilian activity in wide areas, and more. All these have led to a certain reduction and slowdown in Israel’s economic activity and have raised the economy’s level of risk and uncertainty and led to several downgrades in Israel’s credit rating by the international rating agencies, on the backdrop of, inter alia, concerns regarding an additional deterioration in the security situation, the war developing on additional fronts and the political instability in the country. As at the reporting date there is no evident material effect on the Group’s operating results and no material effect on the liquidity of the Company and its investees, or on their sources of financing. In the opinion of the Group, insofar as there is no actual deterioration in the security and/or economic situation in Israel, the effect of the war on the Group’s operations and financial results is not expected to be material.

Since as at the date of issuing this report there is uncertainty with respect to the war developing (including all that relating to developments on additional fronts), its extent, continuation and effects, the Company is unable to assess the future effect of the war on its operating results, financial position, cash flows, real estate assets and financial strength.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 2 - Basis of Preparation**A. Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements. They should be read in conjunction with the financial statements as at and for the year ended December 31, 2024 (hereinafter – “the annual financial statements”). Furthermore, these financial statements have been prepared in accordance with Section D of the Securities Regulations (Periodic and Immediate Reports) – 1970.

These condensed consolidated interim financial statements were authorized for issue by the Company’s Board of Directors on May 28, 2025.

B. Use of estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group’s accounting policies and the principal assumptions used in the estimation of uncertainty are consistent with those applied to the annual financial statements.

Note 3 - Material Accounting Policies

The Group’s accounting policies in these condensed consolidated interim financial statements are the same accounting policies that were applied in the annual financial statements.

Note 4 - Seasonality

The business results and financial position of the Company’s retail business segment are subject to seasonal fluctuations as a result of the consumption behavior of the population close to the holiday seasons in Israel.

Note 5 - Material Events in the Reporting Period

- A.** On March 20, 2025 and March 25, 2025, the Company’s Compensation Committee and Board of Directors, respectively, approved the terms of employment of Ms. Elinor Amir, the spouse of Mr. Shlomo Amir, pursuant to Regulation 1B(4) of the Relaxations Regulations, as a consultant to the Company’s co-CEOs. See Note 32.C.3 to the Company’s annual financial statements for details.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 5 - Material Events in the Reporting Period (cont'd)

- B.** On March 25, 2025, the Company's Board of Directors decided to distribute a dividend in the amount of NIS 360 million. The dividend was paid on May 6, 2025 to the shareholders on record as at April 9, 2025.
- C.** See Note 7 hereunder for updates on material developments in legal claims and proceedings in the reporting period.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 6 - Segment Reporting

The basis of segmentation and the measurement basis for the segment profit or loss are the same as that presented in Note 31, Segment Reporting, in the annual financial statements.

Information regarding the operations of the reportable segments is presented hereunder:

For the three months ended March 31, 2025 (unaudited):

	Retail segment	Real estate segment	Reconciliation to consolidated	Consolidated
	NIS millions	NIS millions	NIS millions	NIS millions
External revenues	3,499	30	-	3,529
Inter-segment revenues	-	38	(38)	-
Total segment revenues	3,499	68	(38)	3,529
Operating profit before other income	197	50	(17)	230
Other income, net	9	-	-	9
Operating profit after other income	206	50	(17)	239
Financing expenses				(64)
Financing income				32
Taxes on income				(50)
Profit for the period				157

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 6 - Segment Reporting (cont'd)

For the three months ended March 31, 2024 (unaudited)*:

	Retail segment	Real estate segment	Reconciliation to consolidated	Consolidated
	NIS millions	NIS millions	NIS millions	NIS millions
External revenues	3,758	28	-	3,786
Inter-segment revenues	-	37	(37)	-
Total segment revenues	<u>3,758</u>	<u>65</u>	<u>(37)</u>	<u>3,786</u>
Operating profit before other income	136	46	(17)	165
Other income, net	11	7	-	18
Operating profit after other income	<u>147</u>	<u>53</u>	<u>(17)</u>	183
Financing expenses				(70)
Financing income				17
Share in losses of associate				(9)
Taxes on income				<u>(32)</u>
Profit for the period				<u>89</u>

* Restated following that mentioned in Note 31 to the annual financial statements regarding inclusion of the results of the Be format in the retail segment.

** Reclassified following that mentioned in Note 31 to the annual financial statements regarding adjustment of the keys for allocating the shared corporate expenses of the Group.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 6 - Segment Reporting (cont'd)

For the year ended December 31, 2024 (audited):

	Retail segment*	Real estate segment	Reconciliation to consolidated	Consolidated
	NIS millions	NIS millions	NIS millions	NIS millions
External revenues	15,528	116	-	15,644
Inter-segment revenues	-	151	(151)	-
Total segment revenues	15,528	267	(151)	15,644
Depreciation and amortization	1,106	3	(73)	1,036
Operating profit before other income (expenses)	790	197	(71)	916
Other income (expenses), net	32	113	(68)	77
Operating profit after other income (expenses)	822	310	(139)	993
Financing expenses				(300)
Financing income				157
Share in losses of associate				(18)
Taxes on income				(167)
Profit for the year				665

* The results of the retail segment include a significant cost of revenues expense item in the amount of NIS 11,179 million.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025
Note 7 - Claims and Legal Proceedings

In the ordinary course of business, various legal claims have been filed or are pending against the Group companies (hereinafter in this section: “legal claims”).

In the opinion of the managements of Group companies, which is based on, inter alia, legal opinions regarding the chances of the legal claims, adequate provisions have been included in the financial statements, where such provisions are required, for covering the exposure from such legal claims.

Motions to certify claims as class actions that do not indicate the precise amount of the claim are pending against the Group and in their respect the Group has an additional exposure.

A. 1. Presented hereunder is a description of the Group's contingent liabilities in effect as at March 31, 2025, classified into groups having similar characteristics:

Lawsuit category	Nature of claims	Number of claims	Total amount claimed	Balance of provision
		NIS millions		
Class actions	Mainly motions to certify class actions that allege illegal collection of funds and damages from services or products provided by Group companies.	54	⁽¹⁾ 1,023	23
Employee claims	Mainly legal claims of present and former employees of the Company involving labor laws including demands to include various salary components in the calculation of various payments to the Company's employees.	56	10	1
Supplier-customer, authorities and general	Legal claims involving commercial disputes with suppliers of services and/or products and legal proceedings on the part of the State, government bodies and State authorities including in respect of proceedings concerning regulation applicable to the Company and various monetary disputes concerning the Company's payments to authorities.	45	135	10
Customer claims for damages	Claims for damages that are handled by the insurance companies.	535	33	⁽³⁾ 25
Total		690	⁽²⁾ 1,201	59

- (1) Including claims against the Company and other defendants in the amount of NIS 448 million in which the amount claimed from the Company is not specified.
- (2) Including claims in the amount of NIS 387 million that their chances cannot be assessed as yet.
- (3) Against the balance of the provision the Company has an indemnification asset in the amount of NIS 13 million within other receivables.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 7 - Claims and Legal Proceedings (cont'd)
A. (cont'd)

2. Presented hereunder is a breakdown of the number and amounts of the Group's contingent liabilities in effect as at March 31, 2025, according to the amount of the claim:

Amount of claim	Number of claims	Total amount claimed (NIS millions)
Up to NIS 100 million	*626	*488
From NIS 100 million to NIS 500 million	3	248
Claims that do not specify an amount claimed	22	-
Claims that do not specify the amount claimed from the Company and others	10	-
Claims against the Company and other defendants together in which the amount claimed from the Company is not specified	29	465
Total	690	1,201

* As at March 31, 2025 including 535 claims of customers for damages in the total amount of NIS 33 million.

B. Information on material developments in legal proceedings in the reporting period

During the period, 5 motions to certify claims as class actions have been filed against Group companies in the total amount of NIS 217 million. The chances of the claims cannot be assessed at this early stage.

On the other hand, 5 motions to certify class actions against Group companies in the total amount of NIS 2 million have been rejected and dismissed with the approval of the court at immaterial amounts.

C. Claims of employees, subcontractors, suppliers, authorities and others

In the ordinary course of business, various claims are filed against the Company by employees, subcontractors, suppliers, authorities and others, which deal mostly in claims for breach of provisions of the law governing termination of employment and obligatory payments to employees, claims for breach of agreements and compulsory payments to authorities. As at March 31, 2025, the amounts that are claimed from the Company under the said claims total NIS 138 million.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 7 - Claims and Legal Proceedings (cont'd)

D. Information on material developments in claims subsequent to the reporting date

Three motions to certify consumer claims as class actions in the total amount of NIS 10 million were filed against the Company. The chances of the claims cannot be assessed at this early stage.

One motion to certify a consumer claim as a class action in the amount of NIS 2 million was filed against the Company and other defendants, without indicating the amount claimed from the Company. Furthermore one claim in the amount of NIS 9 million was filed by a supplier against the Company and other defendants, without indicating the amount claimed from the Company. The chances of the claims cannot be assessed at this early stage.

One motion to certify a consumer claim as a class action that was filed against the Company and other defendants was rejected and dismissed with the approval of the court. Furthermore, a claim of a supplier against the Company and other defendants was concluded with an acquittal.

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 8 - Financial Instruments

Financial instruments measured at fair value for disclosure purposes only

The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, short-term deposits, trade receivables, other receivables, trade and other payables and liabilities to banks are the same or proximate to their fair value. The fair value of the bonds and their carrying amount as presented in the statements of financial position are as follows:

	As at March 31, 2025		As at March 31, 2024		As at December 31, 2024	
	Carrying amount	Fair value*	Carrying amount	Fair value*	Carrying amount	Fair value*
	Unaudited		Unaudited		Audited	
	NIS millions		NIS millions		NIS millions	
Bonds (including accrued interest)**	(1,928)	(1,908)	(2,211)	(2,203)	(1,947)	(1,931)

* The fair value of the bonds and debt instruments at amortized cost is their value on the stock exchange (level 1).

** The Series D, E, F and G bonds include a commitment of the Company to comply with financial covenants, as described in Note 17 to the annual financial statements. As at March 31, 2025 the Company is in compliance with all the financial covenants.

*** The Group has two loans from banks that were taken by subsidiaries. In the loan agreements, the companies committed to comply with financial covenants. As at March 31, 2025 the companies are in compliance with the prescribed financial covenants.

Fair value hierarchy of financial instruments measured at fair value

The table hereunder presents the financial assets that are measured at fair value, using a valuation method.

The various levels are defined as follows:

Level 1: fair value measured by quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measured by inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly

Level 3: fair value measured by inputs that are not based on observable market data (unobservable inputs).

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 8 - Financial Instruments (cont'd)

Fair value hierarchy of financial instruments measured at fair value (cont'd)

	As at March 31, 2025				As at March 31, 2024				As at December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	NIS millions				NIS millions				NIS millions			
	Unaudited				Unaudited				Audited			
Financial assets												
Interest SWAP	-	50	-	50	-	52	-	52	-	52	-	52
Forward	-	4	-	4	-	1	-	1	-	-	-	-
Investment*	-	-	29	29	-	-	29	29	-	-	29	29
	-	54	29	83	-	53	29	82	-	52	29	81
Financial liabilities												
Contingent consideration	-	-	(43)	(43)	-	-	(97)	(97)	-	-	(42)	(42)
Forward	-	-	-	-	-	-	-	-	-	(2)	-	(2)
	-	-	(43)	(43)	-	-	(97)	(97)	-	(2)	(42)	(44)
	-	54	(14)	40	-	53	(68)	(15)	-	50	(13)	37

* An investment in non-marketable shares of Shopic Technologies Ltd. which is accounted for as a financial asset measured at fair value through profit or loss.

Financial assets measured at level 3 of the fair value hierarchy

Presented hereunder is the development in the balance of the investment with respect to financial instruments measured at level 3 of the fair value hierarchy:

	For the three months ended		For the three months ended		For the year ended	
	March 31, 2025		March 31, 2014		December 31, 2024	
	Investment in non-marketable shares	Contingent consideration	Investment in non-marketable shares	Contingent consideration	Investment in non-marketable shares	Contingent consideration
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
Balance at the beginning of the period	29	(42)	29	(95)	29	(95)
Profits (losses) recognized in profit and loss, net	-	(1)	-	(2)	-	53
Balance at the end of the period	29	(43)	29	(97)	29	(42)

Notes to the Condensed Consolidated Interim Financial Statements as at March 31, 2025

Note 9 - Material Events Subsequent to the Reporting Date

- A.** Further to that mentioned in Note 28.F(2) to the annual financial statements regarding deductions assessments that were received by the Company in respect of 2018-2021 (“the assessments”), on April 8, 2025, pursuant to Section 152(B) and 168 of the Income Tax Ordinance – 1961, the assessing officer decided that the Company is required to pay a total amount of NIS 26 million (including interest, linkage differences and penalties as required by law at the date of the assessments. It is noted that the Company disagrees with the position of the tax authority and believes, inter alia, on the basis of the opinion of its professional advisors, that it has good arguments against the position of the tax authority and therefore it plans to submit an appeal on the assessments according to the dates prescribed in the law for doing so.

- B.** See Note 7.D for updates on material developments related to legal claims subsequent to the reporting period.

Part C

Condensed Separate Interim Financial Information

As at March 31, 2025 (Unaudited)

2025

Condensed Separate Interim Financial Information as at March 31, 2025 (Unaudited)

Contents

	Page
Special Auditor's Report	2
Condensed Separate Interim Financial Information:	
Condensed Interim Information on the Financial Position	3
Condensed Interim Information on Income	5
Condensed Interim Information on Comprehensive Income	6
Condensed Interim Information on Cash Flows	7
Additional Information to the Condensed Separate Interim Financial Information	9



To:
The Shareholders of
Shufersal Ltd.

Rishon LeZion

Dears Sirs and Madams,

Re: Special report on the review of separate interim financial information in accordance with Regulation 38D to the Israel Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information presented in accordance with Regulation 38D to the Israel Securities Regulations (Periodic and Immediate Reports), 1970 of Shufersal Ltd. (hereinafter – "the Company") as of March 31, 2025 and for the three-month period then ended. The separate interim financial information is the responsibility of the Company's board of directors and management. Our responsibility is to express a conclusion on this separate interim financial information based on our review.

We did not review the separate interim financial information of an investee company whose assets less liabilities, net, amounted to approximately NIS 143 million as of March 31, 2025 and the Company's share in its profit amounted to approximately NIS 2 million for the three-month period then ended. The financial statements of that company were reviewed by other auditors, whose review report has been furnished to us and our conclusion, insofar as it relates to the financial statements of that company, is based on the report of the other auditors.

Scope of review

We conducted our review in accordance with Standard on Review Engagements (Israel) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Institute of Certified Public Accountants in Israel. A review of separate interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review report of the other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Regulation 38D to the Israel Securities Regulations (Periodic and Immediate Reports), 1970.

Tel Aviv, Israel
May 28, 2025

Kesselman & Kesselman
Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers
International Limited

Condensed Interim Information on the Financial Position

	March 31 2025	March 31 2024	December 31 2024
	Unaudited NIS millions	Unaudited NIS millions	Audited NIS millions
Assets			
Cash and cash equivalents	1,323	870	882
Short-term deposits	1,002	406	1,038
Trade receivables	967	952	874
Investee companies	132	118	173
Other receivables	123	194	97
Inventory	923	1,076	818
Total current assets	4,470	3,616	3,882
Other investments	29	29	29
Other receivables	102	117	105
Investments in investee companies	2,144	2,032	2,111
Bonds from consolidated company	162	196	160
Capital notes from investee companies	114	250	112
Investee companies	207	155	232
Property, plant and equipment	2,295	2,511	2,356
Right-of-use assets	3,759	4,032	3,841
Intangible assets	1,377	1,376	1,373
Deferred taxes	156	151	156
Total non-current assets	10,345	10,849	10,475
Total assets	14,815	14,465	14,357

* Reclassified – see Note 10 to the annual consolidated financial statements.

Signed on behalf of the Board of Directors:

_____ Erez Halfon	Chairman of the Board of Directors
_____ Shlomo Amir	Co-CEO
_____ Yosef Amir	Co-CEO
_____ Gil Weiss	Chief Financial Officer

Date of approval of the separate financial information: May 28, 2025

The accompanying additional information is an integral part of the condensed separate interim financial information.

Condensed Interim Information on the Financial Position

	March 31 2025	March 31 2024	December 31 2024
	Unaudited NIS millions	Unaudited NIS millions	Audited NIS millions
Liabilities			
Capital notes to investee companies	50	65	50
Current maturities in respect of bonds	360	326	328
Current maturities of lease liabilities	424	422	424
Trade payables	2,374	2,230	2,230
Investee companies	200	148	277
Other payables	1,999	1,580	1,290
Provisions	47	55	48
Total current liabilities	5,454	4,826	4,647
Bonds	1,568	1,885	1,619
Lease liabilities	3,777	4,035	3,872
Employee benefits, net	263	251	258
Other liabilities	20	94	25
Total non-current liabilities	5,628	6,265	5,774
Equity			
Share capital	245	245	245
Share premium	1,649	1,649	1,649
Reserves	74	79	74
Treasury shares	(85)	(85)	(85)
Retained earnings	1,850	1,486	2,053
Total equity attributable to owners of the Company	3,733	3,374	3,936
Total liabilities and equity	14,815	14,465	14,357

The accompanying additional information is an integral part of the condensed separate interim financial information.

Condensed Interim Information on Income

	Three months ended		Year ended
	March 31 2025	March 31 2024	December 31 2024
	Unaudited NIS millions	Unaudited NIS millions	Audited NIS millions
Revenues	3,390	3,639	15,058
Cost of revenues	2,398	2,670	10,852
Gross profit	992	969	4,206
Selling and marketing expenses	728	760	3,126
General and administrative expenses	45	59	211
Total selling, marketing, general and administrative expenses	773	819	3,337
Operating profit before other income	219	150	869
Other income, net	10	11	76
Operating profit after other income	229	161	945
Financing expenses	(61)	(65)	(281)
Financing income	36	23	124
Financing expenses, net	(25)	(42)	(157)
Loss from investee companies	(10)	(16)	(11)
Profit before taxes on income	194	103	777
Taxes on income	(38)	(15)	(120)
Profit for the period attributable to owners of the Company	156	88	657

The accompanying additional information is an integral part of the condensed separate interim financial information.

Condensed Interim Information on Comprehensive Income

	Three months ended		Year ended
	March 31 2025	March 31 2024	December 31 2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Profit for the period attributable to owners of the Company	156	88	657
Other comprehensive income (loss) for the period that after initial recognition in comprehensive income was or will be transferred to profit or loss			
Effective portion of the change in fair value of cash flow hedges	-	1	(4)
Net change in fair value included in cost of hedging reserve	-	*_	*_
Taxes on other comprehensive income items that were or will be transferred to profit or loss in subsequent periods	-	*_	1
Total other comprehensive income (loss) for the period that after initial recognition in comprehensive income was or will be transferred to profit or loss, net of tax	-	1	(3)
Other comprehensive income (loss) items that will not be transferred to profit or loss			
Remeasurement of defined benefit plan	-	-	-
Other comprehensive loss in respect of investee companies	-	-	(2)
Taxes on other comprehensive income items that will not be transferred to profit or loss	-	-	-
Total other comprehensive loss for the period that will not be transferred to profit or loss, net of tax	-	-	(2)
Other comprehensive income (loss) for the period	-	1	(5)
Total comprehensive income for the period attributable to owners of the Company	156	89	652

* Indicates an amount less than NIS 1 million.

The accompanying additional information is an integral part of the condensed separate interim financial information.

Condensed Interim Information on Cash Flows

	Three months ended		Year ended
	March 31 2025	March 31 2024	December 31 2024
	Unaudited	Unaudited	Audited
	NIS millions	NIS millions	NIS millions
Cash flows from operating activities			
Profit for the period attributable to owners of the Company	156	88	657
Adjustments for:			
Depreciation of property, plant and equipment	96	98	429
Amortization of intangible assets	19	20	88
Amortization of right-of-use assets	101	110	455
Taxes on income included in income statements	38	15	120
Income taxes paid, net	(55)	(7)	(52)
Change in employee benefits	2	(3)	(8)
Gain on sale of non-financial assets	(1)	(9)	(24)
Changes in estimates in respect of non-financial assets	(6)	(2)	(7)
Financing expenses, net	25	41	157
Share-based payment	1	(4)	(5)
Gain from sale of associate	-	-	(44)
Investee companies	(9)	12	145
Profit from investee companies	(34)	(28)	(160)
Change in trade receivables	(111)	(71)	7
Change in other receivables	(22)	(26)	78
Change in inventory	(105)	(145)	84
Change in trade payables	143	127	159
Change in other payables, provisions and other	360	189	49
Net cash from operating activities	598	405	2,128
Cash flows used in investing activities			
Purchase of property, plant and equipment	(28)	(64)	(250)
Proceeds from sale of property, plant and equipment	3	2	5
Investment in intangible assets	(28)	(37)	(102)
Repayment of loan to investee company	-	-	78
Interest received	19	11	58
Redemption of (investment in) deposits, net	40	53	(570)
Change in cash in respect of futures contracts, net	(2)	-	3
	4	(35)	(778)
Net cash from investing activities in respect of transactions with investee companies	-	12	12
Net cash from (used in) investing activities	4	(23)	(766)

The accompanying additional information is an integral part of the condensed separate interim financial information.

Condensed Interim Information on Cash Flows

	Three months ended		Year ended
	March 31 2025	March 31 2024	December 31 2024
	Unaudited NIS millions	Unaudited NIS millions	Audited NIS millions
Cash flows from financing activities			
Repayment of bonds	(26)	(17)	(290)
Repayment of principal and interest of lease liabilities	(140)	(144)	(567)
Exercise of option to acquire rights in subsidiary	-	-	(5)
Dividend paid	-	-	(180)
Repayment of capital notes to investee company	-	-	(15)
Proceeds in respect of hedging transactions	-	-	7
Interest paid	(13)	(14)	(93)
Net cash used in financing activities	(179)	(175)	(1,143)
Change in cash and cash equivalents	423	207	219
Cash and cash equivalents at the beginning of the period	882	663	663
Cash and cash equivalents at the end of the period	1,305	870	882

The accompanying additional information is an integral part of the separate financial information.

Additional Information to the Condensed Separate Interim Financial Information as at March 31, 2025

Note 1 - General

Presented hereunder is financial information from the Group's condensed consolidated interim financial statements as at March 31, 2025 (hereinafter – "the consolidated financial statements"), which are issued as part of the periodic reports, and which are attributed to the Company itself (hereinafter – "condensed separate interim financial information"), and are presented in accordance with Regulation 38D (hereinafter – the Regulation) and the tenth addendum to the Securities Regulations (Periodic and Immediate Reports) – 1970 (hereinafter – "the tenth addendum") regarding condensed separate interim financial information of an entity.

The condensed separate interim financial information should be read together with the separate financial information as at and for the year ended December 31, 2024 and with the consolidated financial statements as at December 31, 2024 and the condensed consolidated interim financial statements as at March 31, 2025.

In this separate financial information –

- (1) The Company – Shufersal Ltd.
- (2) Consolidated companies/subsidiaries – Companies, including a partnership, the financial statements of which are fully consolidated, directly or indirectly, with the financial statements of the Company.
- (3) Investee companies – Consolidated companies and companies, including a partnership or joint venture, the Company's investment in which is stated, directly or indirectly, on the equity basis.

Note 2 - Significant Accounting Policies Applied in the Condensed Separate Interim Financial Information

The accounting policies applied in this condensed separate interim financial information are the same as those applied in the separate financial information as at December 31, 2024.

Note 3 - Material Events in the Reporting Period

- A. Pursuant to the Board of Directors' decisions from March 28, 2023 and June 27, 2023, the Company entered into a restructuring transaction with Shufersal Real Estate Ltd. ("Shufersal Real Estate") and Four Species Ltd. (both wholly owned companies of the Company), by which the Company's logistic centers in Shoham and Rishon Le-Zion and the Company's rights (25%) in the automated delivery center in Modi'in will be transferred to Shufersal Real Estate ("the restructuring transaction") in effect from March 31, 2023 and subject to receiving the necessary regulatory approvals. On March 12, 2025 the Company's Board of Directors decided to withdraw an application for a pre-ruling that it had submitted to the tax authority in connection with the restructuring transaction. In view of the aforesaid, the precondition prescribed in the restructuring transaction was not met and the transaction expired pursuant to its terms before being completed.
- B. See Note 5 to the condensed consolidated interim financial statements for details regarding additional material events in the reporting period.
- C. See Note 7 to the condensed consolidated interim financial statements for details regarding developments in claims and legal proceedings.

Additional Information to the Condensed Separate Interim Financial Information as at March 31, 2025

Note 4 - Material Events Subsequent to the Reporting Period

See Note 9 to the condensed consolidated interim financial statements for details regarding additional material events subsequent to the reporting period.

Part D

Quarterly Report on Effectiveness of Internal Control over Financial Reporting and Disclosure; and Officers' Certifications

2025

A large graphic of the year '2025' in white, bold, sans-serif font. The numbers are filled with a photograph of a pineapple. The pineapple is cut into several slices, showing the yellow-orange flesh and the brown, textured rind. The green leaves of the pineapple are visible at the top of the slices. The background of the entire page is a solid dark red.

Report on Effectiveness of Internal Control over Financial Reporting and Disclosure for the First Quarter of 2025

Quarterly Report on Effectiveness of Internal Control over Financial Reporting and Disclosure Pursuant to Regulation 38C of Securities Regulations (Periodic and Immediate Reports) – 1970:

Management, under the supervision of the Board of Directors of Shufersal Ltd. (hereinafter – **the Company**), is responsible for planning and maintaining adequate internal control over financial reporting and disclosure in the Company.

In this respect, the members of management are:

1. Yosef Amir, Co-CEO;
2. Shlomo Amir, Co-CEO;
3. Efrat Binshtok, Deputy CEO;
4. Itshak Cohen Yehonatan, Deputy CEO;
5. Gil Weiss, CFO;
6. Ella Berin, VP Commerce;
7. Aaron Kaufman, VP, Legal Advisor;
8. Eran Sela, VP of Operations and Sales;
9. Dafna Engelshtein, VP of Information;
10. Shlomi Shamir, VP of Supply Chain;
11. Shlomo Reuven, VP Security;
12. Amichay Finkelstein, CEO Shufersal Real Estate;
13. Ran Aharoni, CEO “Yesh”;
14. Tom Yonai, VP of Communication and Innovation;
15. Shimon Hadad, CEO Finance;
16. Doron Radulsko, Construction and Projects;
17. Lior Laser, CEO Business;
18. Reut Refaeli Cohen, VP of Human Resources;
19. Eitan Sayada, CEO “Be Pharm”.

Internal control over financial reporting and disclosure consists of the Company's existing controls and procedures that have been planned by the CEO and the most senior financial officer or under their supervision, or by the equivalent acting officers, under the supervision of the Company's Board of Directors, designed to provide reasonable assurance about the reliability of financial reporting and the preparation of the financial statements in compliance with applicable laws, and guarantee that all information that the Company is required to disclose in the financial statements issued by law is collected, processed, summarized and reported in a timely manner and according to the format prescribed by law.

Among other things, internal control includes controls and procedures planned to guarantee that all information that the Company is required to disclose as above is gathered and transferred to the Company's Management, including the CEO and the most senior financial officer, or the equivalent acting officers, in order to allow decision making on a timely basis with respect to the disclosure requirements.

Due to its inherent limitations, internal control over financial reporting and disclosure is not designed to provide absolute assurance that misstatements or omissions of information in the financial statements will be prevented or detected.

In the annual report on effectiveness of internal control over financial reporting and disclosure that was attached to the periodic report for the period ended December 31, 2024 (hereinafter – **the last annual report on internal control**), the Board of Directors and Management performed an evaluation of the Company's internal control. Based on that evaluation, the Company's Board of Directors and Management had concluded that the Company's internal control as at December 31, 2024 is effective.

Until the date of this report, the Board of Directors and Management have not become aware of any event or matter that could change the evaluation of the effectiveness of internal control, as presented in the last annual report on internal control.

As at the reporting date, based on the evaluation of the effectiveness of internal control in the last annual report on internal control, and based on information that was brought to the attention of Management and the Board of Directors as aforesaid, the Company's internal control is effective.

Report on Effectiveness of Internal Control over Financial Reporting and Disclosure for the First Quarter of 2025
--

Officers' Certification

Certification of Chief Executive Officer

Pursuant to Regulation 38C(d)(1) of Securities Regulations (Periodic and Immediate Reports) – 1970:

I, Shlomo Amir, certify that:

1. I have reviewed the quarterly report of Shufersal Ltd. (hereinafter – "**the Company**") for the first quarter of 2025 (hereinafter – "**the reports**");
2. Based on my knowledge, the reports do not contain any misrepresentation of any material fact and do not omit any representation of any material fact that is needed in order for the representations included therein, in view of the circumstances under which such representations were included, not to be misleading with reference to the period of the reports;
3. Based on my knowledge, the financial statements and other financial information included in the reports fairly present, in all material respects, the financial position, operating results and cash flows of the Company for the dates and periods addressed in the reports;
4. I have disclosed to the Company's auditor, to the Company's Board of Directors, Audit Committee and Financial Statement Committee, based on my most recent evaluation of internal control over financial reporting and disclosure:
 - A. All the significant deficiencies and the material weaknesses in the design or operation of internal control over financial reporting and disclosure that could reasonably adversely affect the Company's ability to collect, process, summarize or report financial information so as to cast doubt on the reliability of financial reporting and the preparation of financial statements in accordance with law; and –
 - B. Any fraud, whether material or not, that involves the CEO or direct subordinates thereto or that involves other employees with a significant role in internal control over financial reporting and disclosure;
5. I, alone or together with others in the Company, state that:
 - A. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to ensure that material information relating to the Company, including its consolidated companies within their meaning in the Securities Regulations (Annual Financial Statements) – 2010, is made known to me by others in the Company and within those consolidated companies, particularly during the period in which the reports are being prepared; and –
 - B. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with law, including in accordance with generally accepted accounting principles;
 - C. I have not become aware of any event or matter that occurred in the period between the date of the last report (the periodic report as at December 31, 2024) and the date of this report, which could change the conclusion of the Board of Directors and of Management about the effectiveness of the Company's internal control over financial reporting and disclosure.

Nothing in the aforesaid derogates from my responsibility or from the responsibility of any other person under any law.

May 28, 2025

Shlomo Amir
Co-CEO

Report on Effectiveness of Internal Control over Financial Reporting and Disclosure for the First Quarter of 2025
--

Officers' Certification

Certification of Chief Executive Officer

Pursuant to Regulation 38C(d)(1) of Securities Regulations (Periodic and Immediate Reports) – 1970:

I, Yosef Amir, certify that:

1. I have reviewed the quarterly report of Shufersal Ltd. (hereinafter – "**the Company**") for the first quarter of 2025 (hereinafter – "**the reports**");
2. Based on my knowledge, the reports do not contain any misrepresentation of any material fact and do not omit any representation of any material fact that is needed in order for the representations included therein, in view of the circumstances under which such representations were included, not to be misleading with reference to the period of the reports;
3. Based on my knowledge, the financial statements and other financial information included in the reports fairly present, in all material respects, the financial position, operating results and cash flows of the Company for the dates and periods addressed in the reports;
4. I have disclosed to the Company's auditor, to the Company's Board of Directors, Audit Committee and Financial Statement Committee, based on my most recent evaluation of internal control over financial reporting and disclosure:
 - A. All the significant deficiencies and the material weaknesses in the design or operation of internal control over financial reporting and disclosure that could reasonably adversely affect the Company's ability to collect, process, summarize or report financial information so as to cast doubt on the reliability of financial reporting and the preparation of financial statements in accordance with law; and –
 - B. Any fraud, whether material or not, that involves the CEO or direct subordinates thereto or that involves other employees with a significant role in internal control over financial reporting and disclosure;
5. I, alone or together with others in the Company, state that:
 - A. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to ensure that material information relating to the Company, including its consolidated companies within their meaning in the Securities Regulations (Annual Financial Statements) – 2010, is made known to me by others in the Company and within those consolidated companies, particularly during the period in which the reports are being prepared; and –
 - B. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with law, including in accordance with generally accepted accounting principles;
 - C. I have not become aware of any event or matter that occurred in the period between the date of the last report (the periodic report as at December 31, 2024) and the date of this report, which could change the conclusion of the Board of Directors and of Management about the effectiveness of the Company's internal control over financial reporting and disclosure.

Nothing in the aforesaid derogates from my responsibility or from the responsibility of any other person under any law.

May 28, 2025

Yosef Amir
Co-CEO

Report on Effectiveness of Internal Control over Financial Reporting and Disclosure for the First Quarter of 2025
--

Officers' Certification

Certification of Most Senior Financial Officer

Pursuant to Regulation 38C(d)(2) of Securities Regulations (Periodic and Immediate Reports) – 1970:

I, Gil Weiss, certify that:

1. I have reviewed the interim financial statements and other financial information included in the interim financial statements of Shufersal Ltd. (hereinafter – **the Company**) for the first quarter of 2025 (hereinafter – **the reports or the interim period reports**);
2. Based on my knowledge, the financial statements and other financial information included in the interim period reports do not contain any misrepresentation of any material fact and do not omit any representation of any material fact that is needed in order for the representations included therein, in view of the circumstances under which such representations were included, not to be misleading with reference to the period of the reports;
3. Based on my knowledge, the interim financial statements and other financial information included in the interim period reports fairly present, in all material respects, the financial position, operating results and cash flows of the Company for the dates and periods addressed in the reports;
4. I have disclosed to the Company's auditor, to the Company's Board of Directors, Audit Committee and Financial Statement Committee, based on my most recent evaluation of internal control over financial reporting and disclosure:
 - A. All the significant deficiencies and the material weaknesses in the design or operation of internal control over financial reporting and disclosure that could reasonably adversely affect the Company's ability to collect, process, summarize or report financial information so as to cast doubt on the reliability of financial reporting and the preparation of financial statements in accordance with law; and –
 - B. Any fraud, whether material or not, that involves the CEO or direct subordinates thereto or that involves other employees with a significant role in internal control over financial reporting and disclosure;
5. I, alone or together with others in the Company, state that:
 - A. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to ensure that material information relating to the Company, including its consolidated companies within their meaning in the Securities Regulations (Annual Financial Statements) – 2010, is made known to me by others in the Company and within those consolidated companies, particularly during the period in which the reports are being prepared; and –
 - B. I have designed such controls and procedures, or caused such controls and procedures to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with law, including in accordance with generally accepted accounting principles;
 - C. I have not become aware of any event or matter that occurred in the period between the date of the last report (the periodic report as at December 31, 2024) and the date of this report, to the extent it relates to the interim financial statements and other financial information included in the interim period reports, which in my opinion could change the conclusion of the Board of Directors and of Management about the effectiveness of the Company's internal control over financial reporting and disclosure.

Nothing in the aforesaid derogates from my responsibility or from the responsibility of any other person under any law.

May 28, 2025

Gil Weiss
CFO

