SHUFERSAL

Israel's Largest and Principal Retail Group

Capital Market Presentation | March 2025

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2024 | A Change That Generates Results

	Revenues (NIS Billions)	EBITDA (NIS Billions)	Net Profit Margin
2024	15.64	1.95	4.3%
	+3%	+24.2%	+104.8%
2023	15.18	1.57	2.1%

	Operating Profit Margin*	Net Debt (NIS Billions)	Market Cap* (NIS Billions)
2024	5.9%	0.1	9.92
	+47.5%	-91.3%	+42%
2023	4%	1.2	7

* Before other Expenses / Income

* As of Financial statement's publication date

Israel's Premiere Retailer Nationwide

429 Stores Nationwide

2.3M Club Members

543K M^2 Retail Floor Space

14.3K Employees

8 Logistic Centers

22.2% Private Label's Revenue Share

3.8B Real Estate Segment Assets Fair Value *(NIS)

614K Credit Card Holders

*Excluding owned logistic centers and the Group's share in automated shipping warehouse

Focus on Two Major Areas of Activity

Shufersal "Everything For Me"

2024 | Developing Infrastructure and Growth Drivers

New Management

Focus on Retail as the group's Core Business

Customer Centric- Enhancing Service Experience and Quality

Re-establishing the Foundation of Real Estate

Financial Resilience to Facilitate Growth Drivers

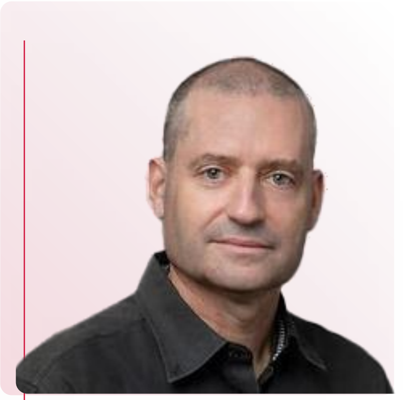
New Management | Leading Change Together

Yossi Amir
Co-CEO

Shlomi Amir
Co-CEO

Efrat Binshtok
Deputy CEO

Itshak Cohen Yehonatan
Deputy CEO



Gil Weiss
Chief Finance Officer

Aaron Kaufman
Chief Legal Officer

Ella Berin
Chief Trade Officer

Eran Sela
Chief Operations and Sales Officer

Shlomi Shamir
Chief Supply Chain Officer

Dafna Engelstein
Chief Information Officer

Reut Refaeli Cohen
Chief Human Resources Officer

Tom Yonai
Chief Communications and Innovation Officer

Shlomi Reuven
Chief Security Officer

Doron Radulescu
Chief Construction and Projects Officer

Amichai Finkelstein
Manager of Shufersal Real Estate

Eitan Saida
Manager of "Be-Pharm" Format

Ran Aharoni
Manager of "Yes" Format

Shimon Chadad
Manager of "Finances Services"

Lior Laizer
Manager of "Businesses" Format

Focus on Retail as the Group's Core Business

Continually improving the shopping experience

- Expanding the range of brands and products
- Improving service and availability in fresh food departments
- Investing in stores' visibility

Relaunching Universe

- Reaching new demographics
- Upgraded shopping experience
- Wide range of products and designated promotions

Changing private label strategy

- Launch new brands
- Increasing variety offered to customers
- Availability in group's various set of formats

Improving Service Experience and Quality for Customers

Developing New Digital Tools to Improve Service

Upgrading Service and Quality in Fresh Food Departments

Increasing Promotions and Benefits

Improved Products' Availability

Expanding Variety

Enhancing Stores' Visibility

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Rewarding our Community | Leading Change in Israel

Committed to Israel's food security

Shufersal continues to operate stores from north to south and provide online deliveries both in routine and crisis situations.

Pink bottles for the children of Variety

Revenues were donated to children with special needs.

Torah scrolls dedication ceremony

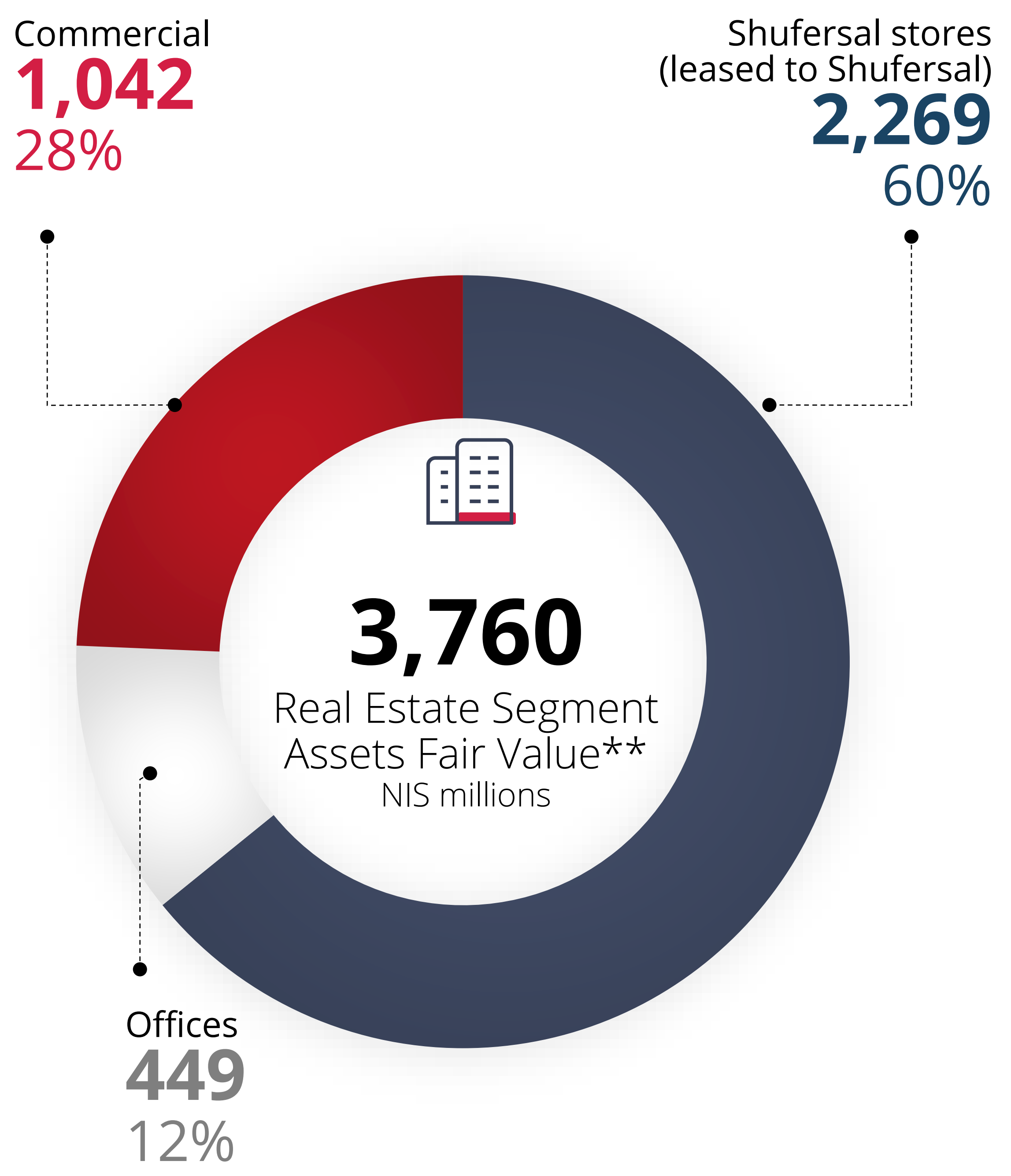
18 Torah scrolls were inaugurated for the unity of the Jewish people. The scrolls were dedicated in memory of the casualties and fallen in The Iron Swords war.

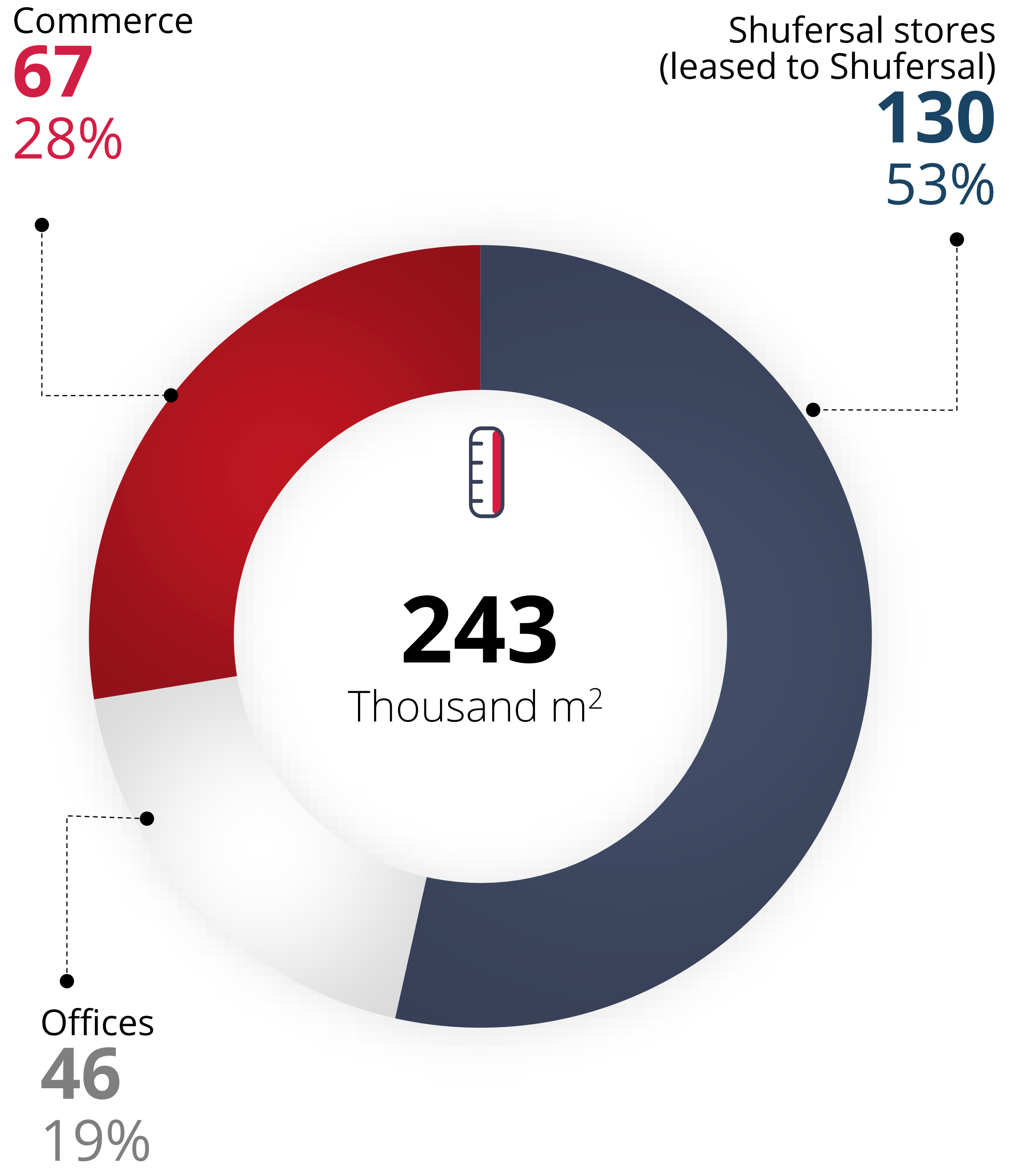
Collaborations with associations and organizations

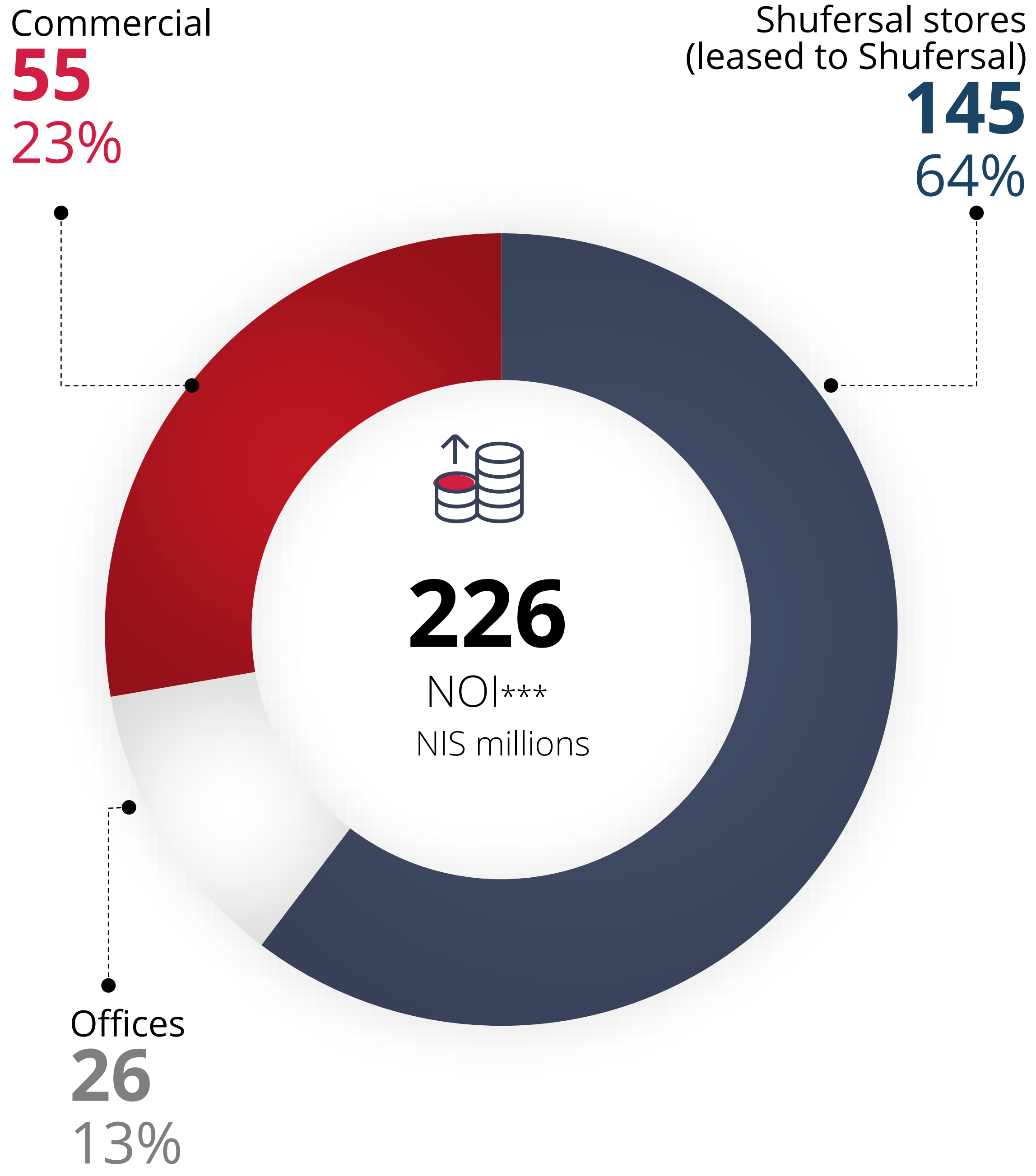
We are proud to have led a partnership with LATET organization for more than 20 years, which includes product donations and fundraising campaigns at stores.

Re-establishing the Foundation of Real Estate*

Improving the Group's Assets Portfolio







* Excluding assets under construction not classified as offices and commercial
** Real estate segment asset fair value as of December 31 2024
*** NOI data for 2024

Financial Resilience to Facilitate Growth Drivers

Significant decrease in net debt in just one year

From 1.2 NIS Billion

To 0.1 NIS Billion

iLAA /Stable

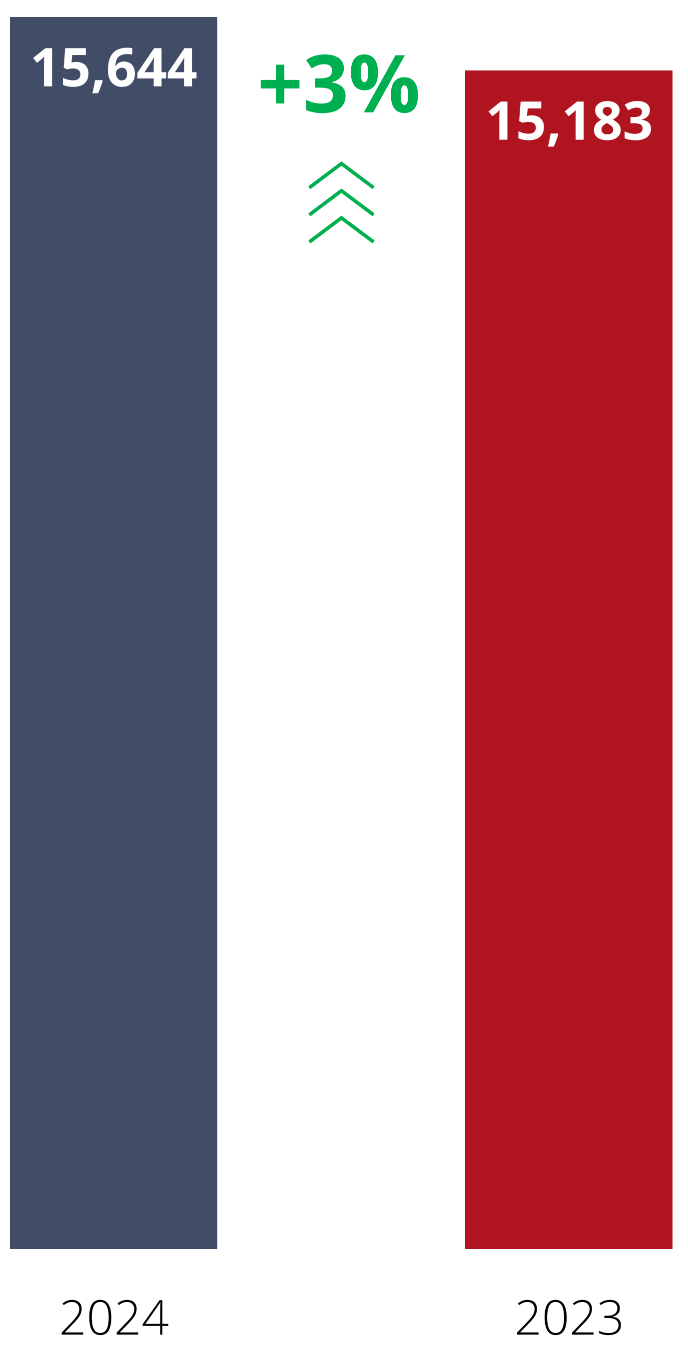
S&P Maalot Bond Rating

- Opening new stores
- Investing in upgrading existing stores
- Implementing new technologies
- Purchase of activities
- Real estate development and improvement

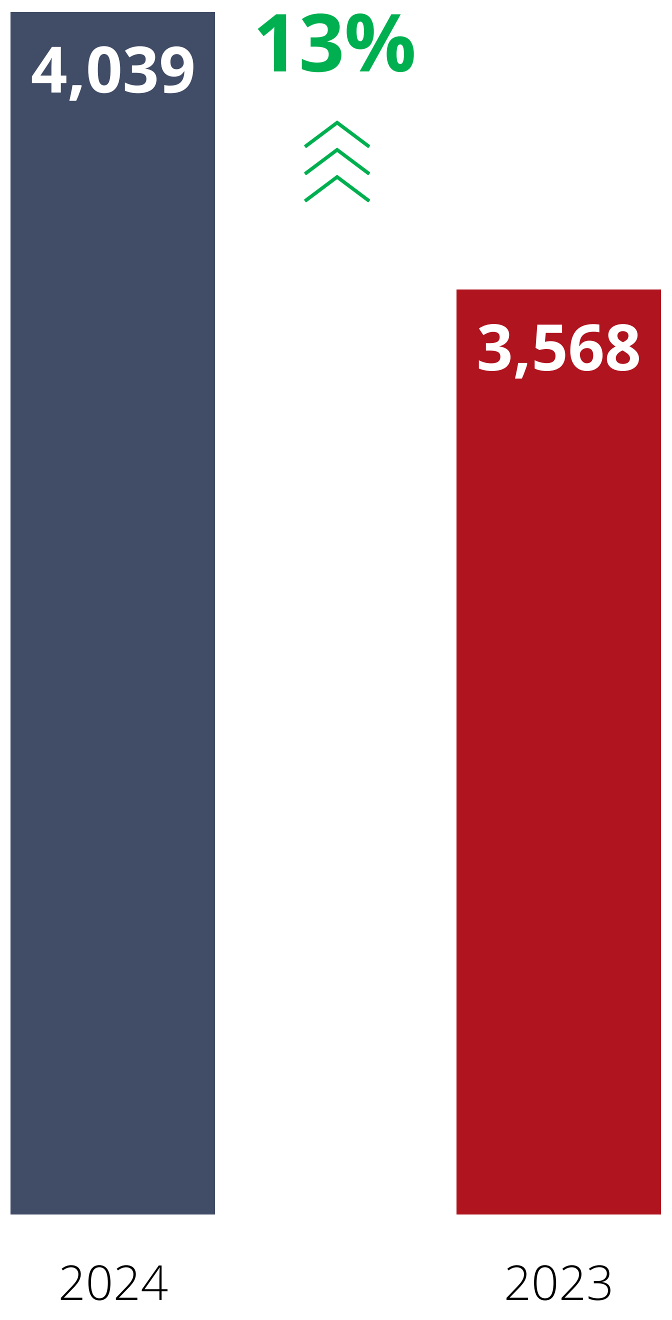
A Year with a Renewed Spirit and Impressive Results

Group Results (NIS Millions)

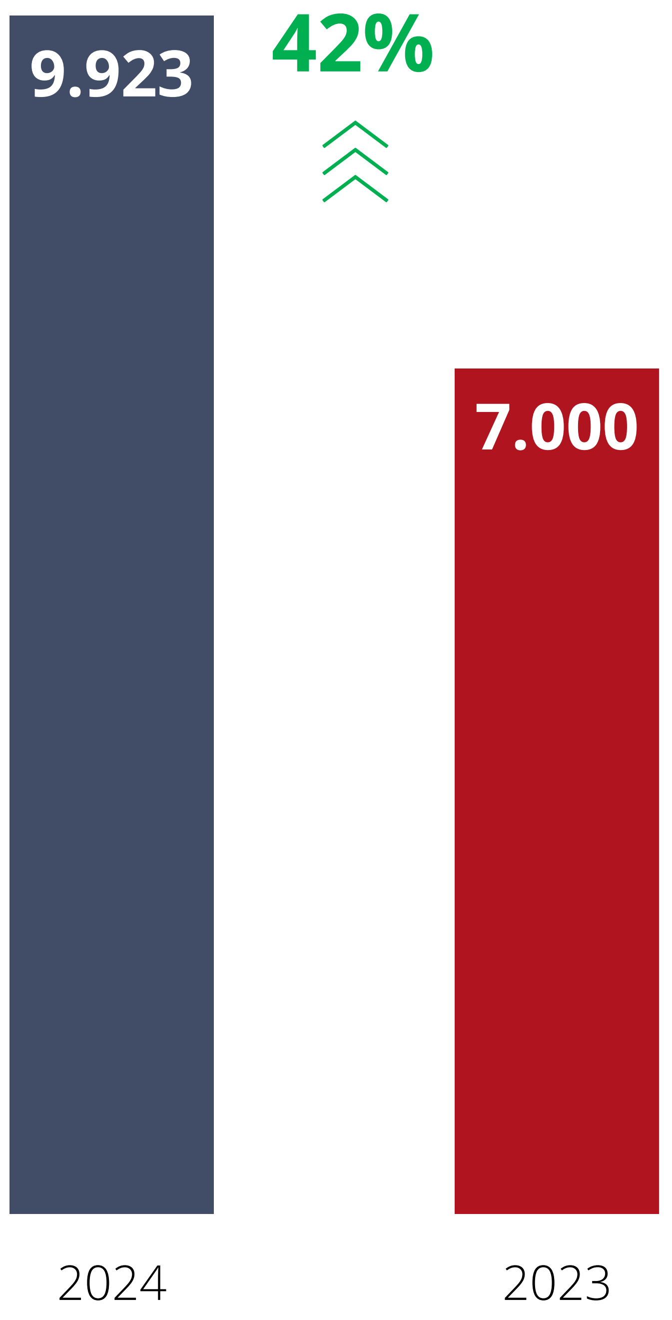
Revenues



Equity



Market CAP* (NIS Billions)



*As of financial statement's publication date

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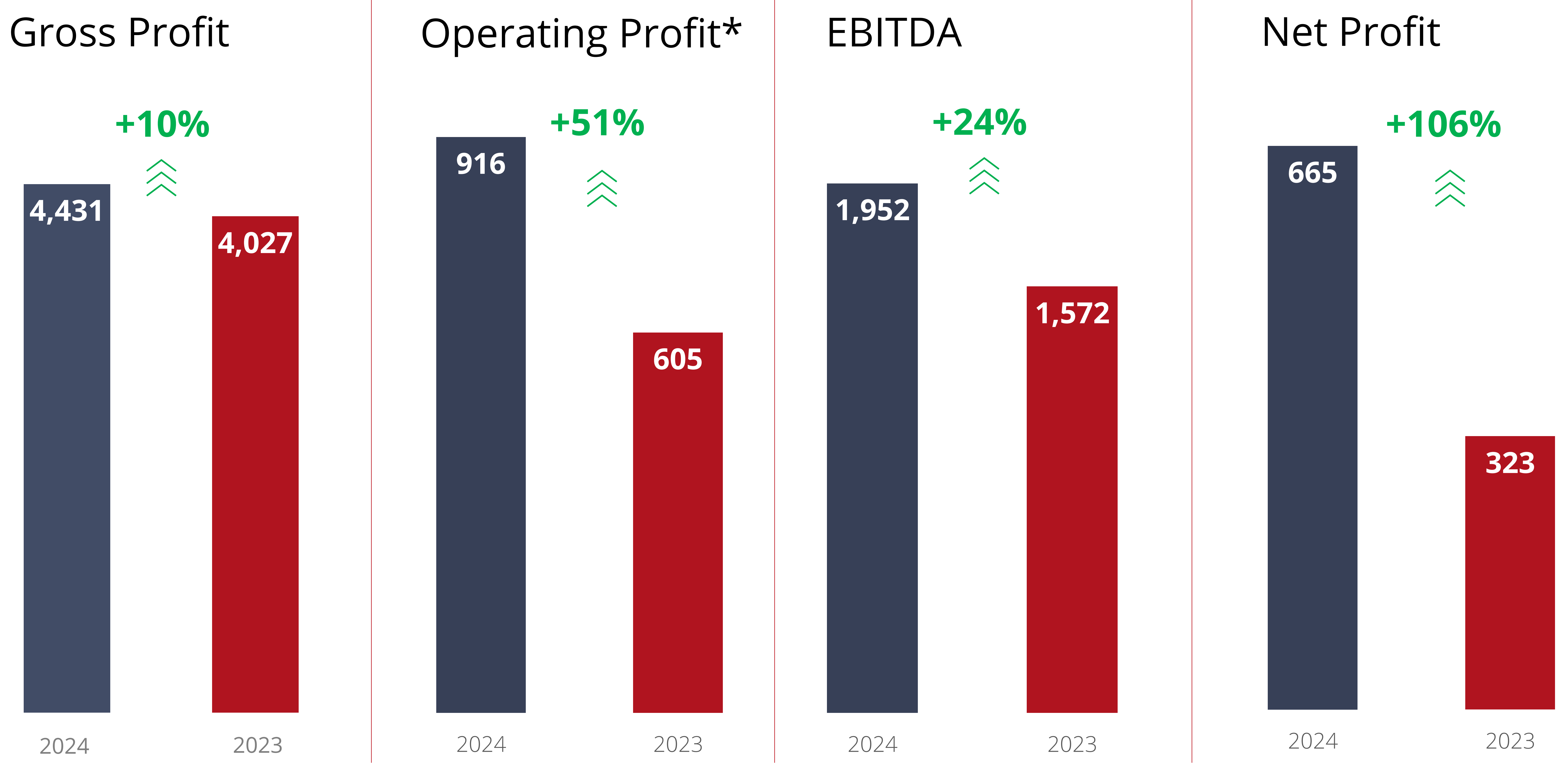
Significant Growth in All Profitability Indicators – 2024
(NIS Millions)



* Before other Expenses / Income

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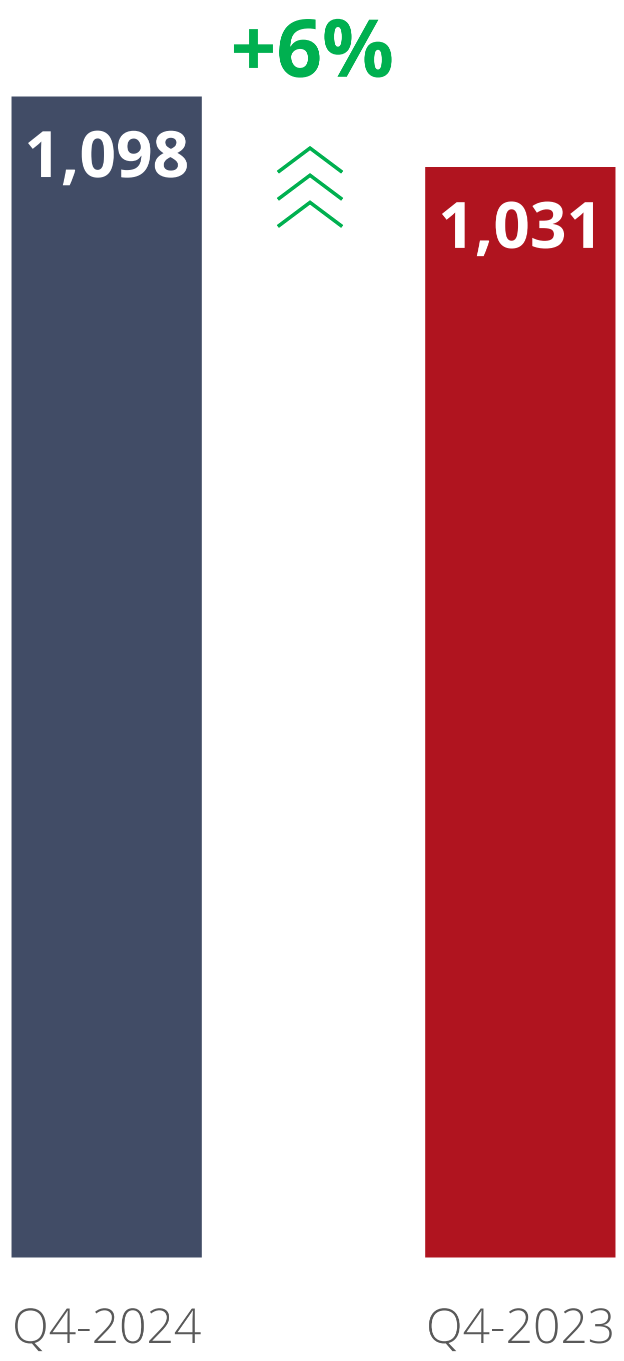
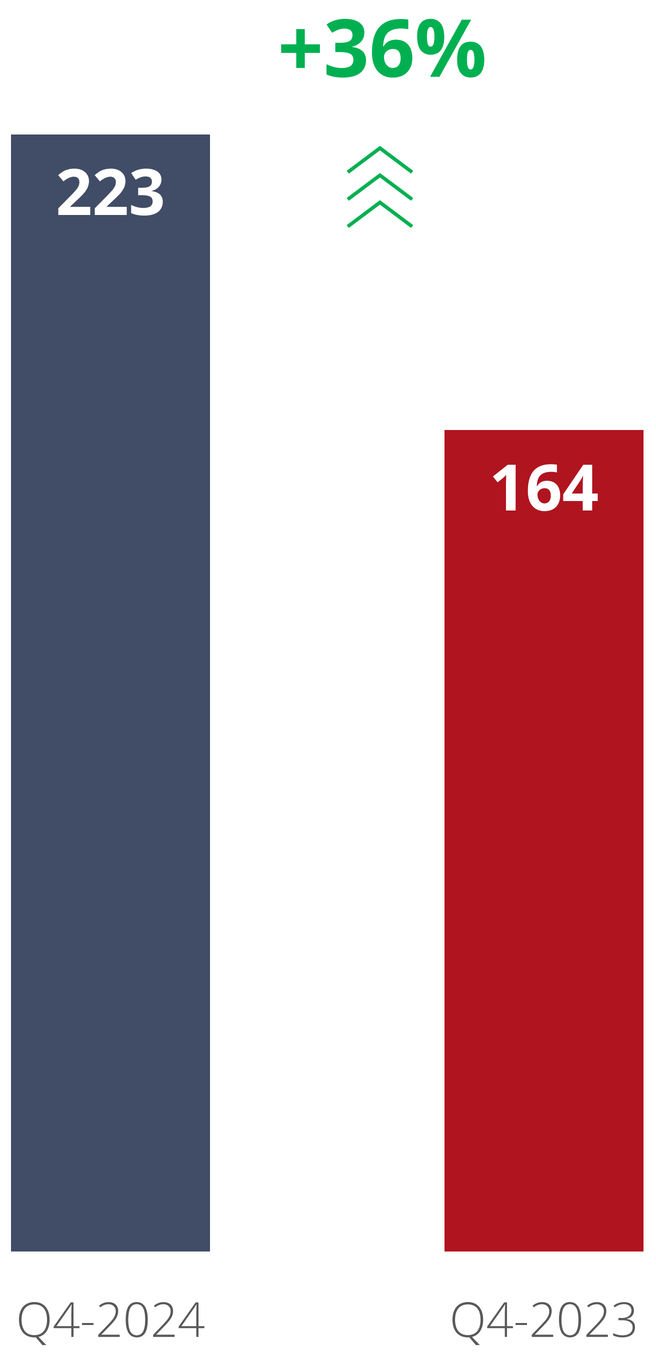
Significant Growth in All Profitability Indicators – Q4 2024

(NIS Millions)

Gross Profit

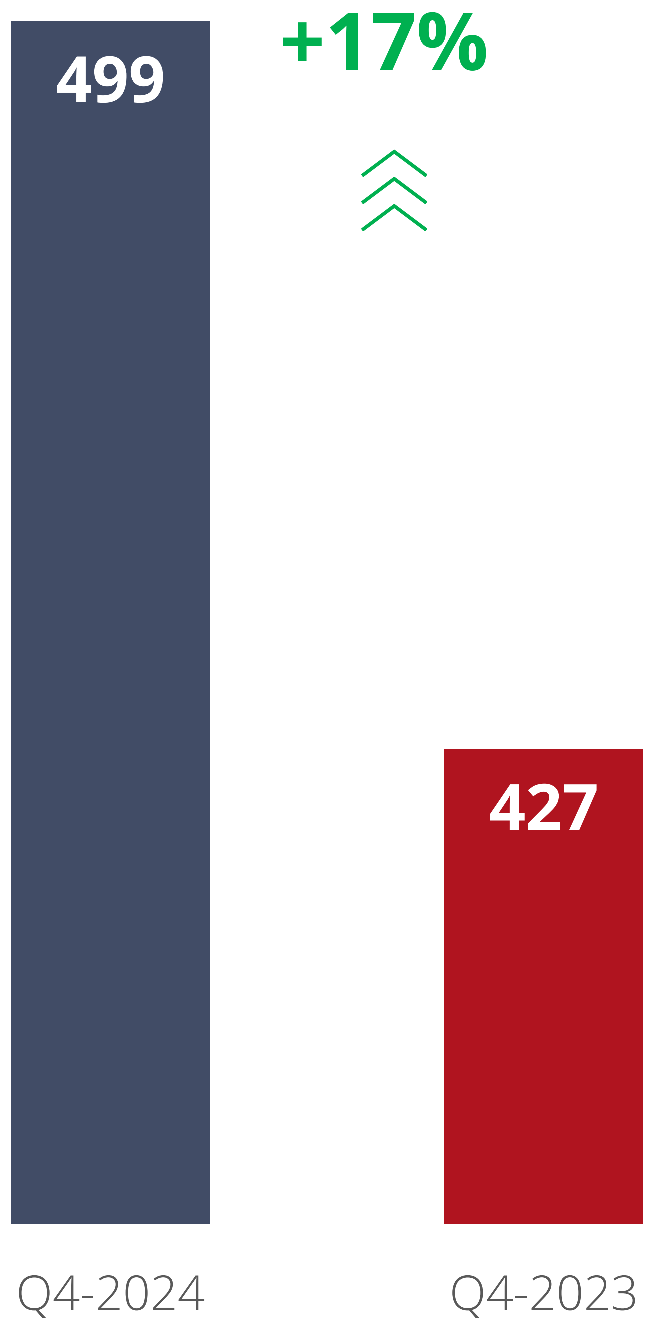


Operating Profit*

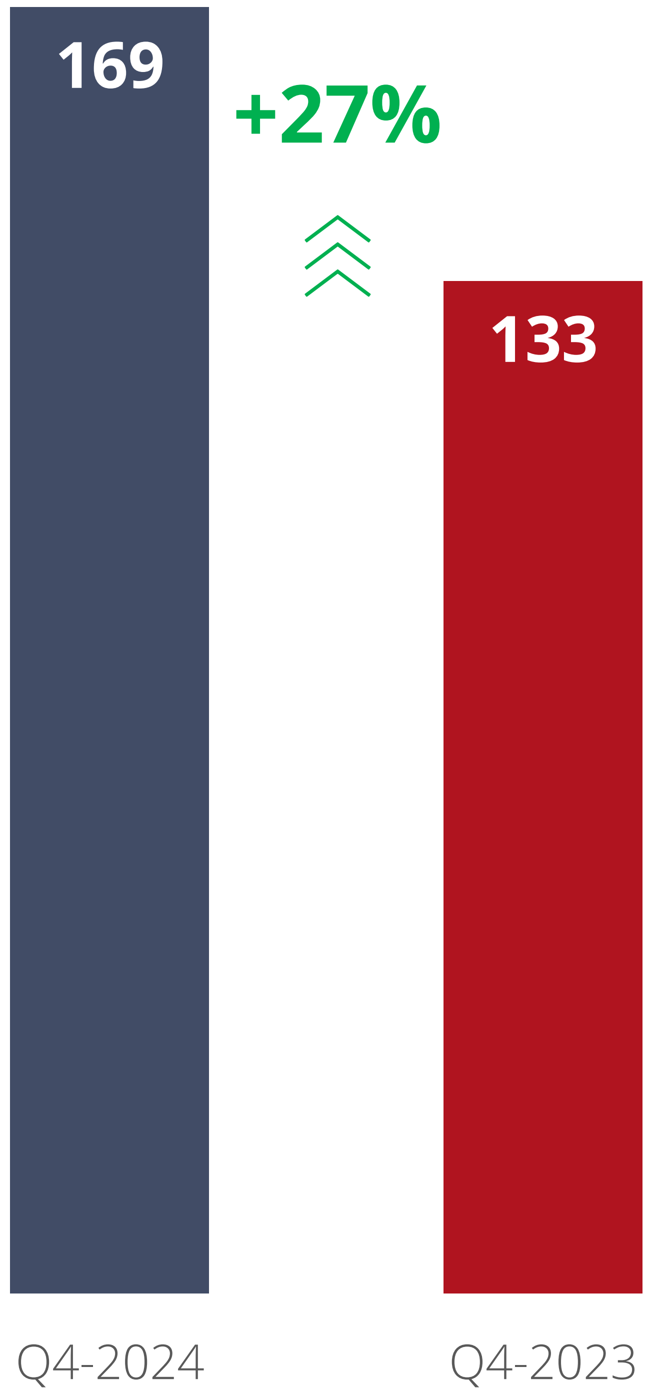


* Before other Expenses / Income

EBITDA

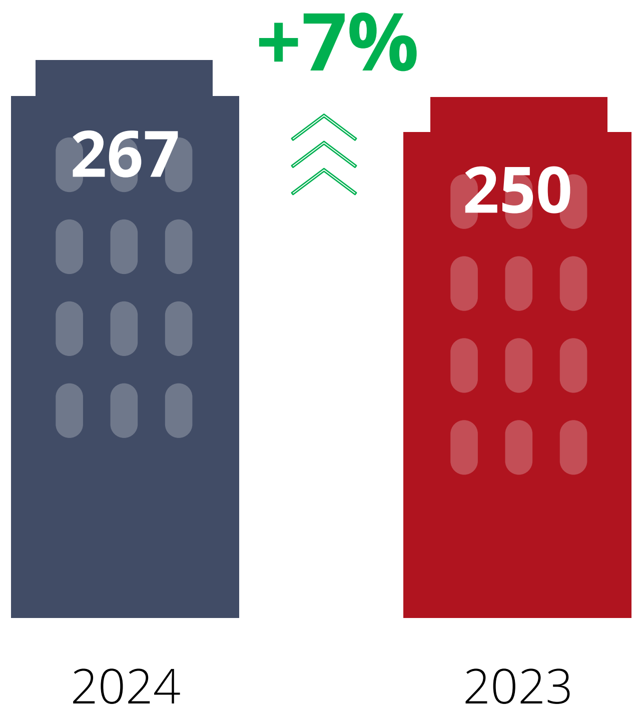


Net Profit

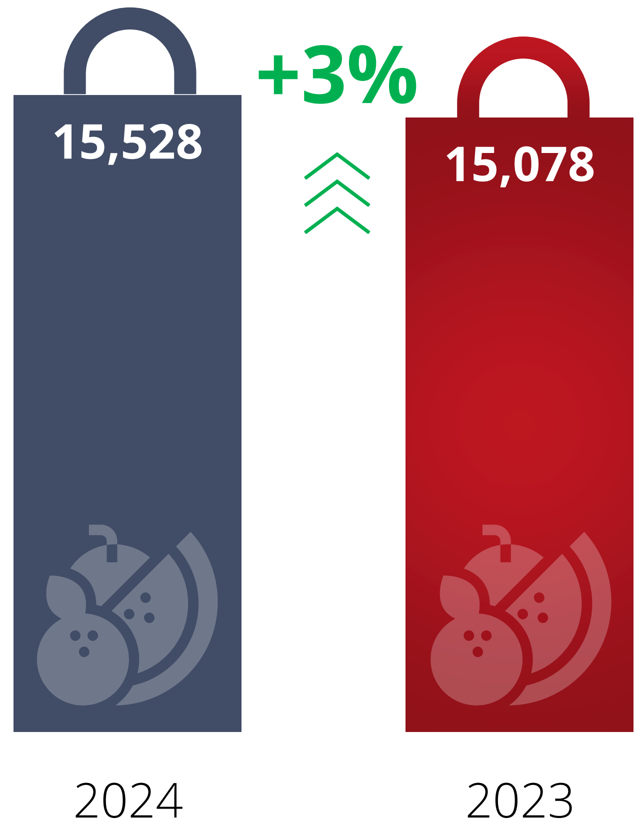


Segment Results – 2024 (NIS Millions)

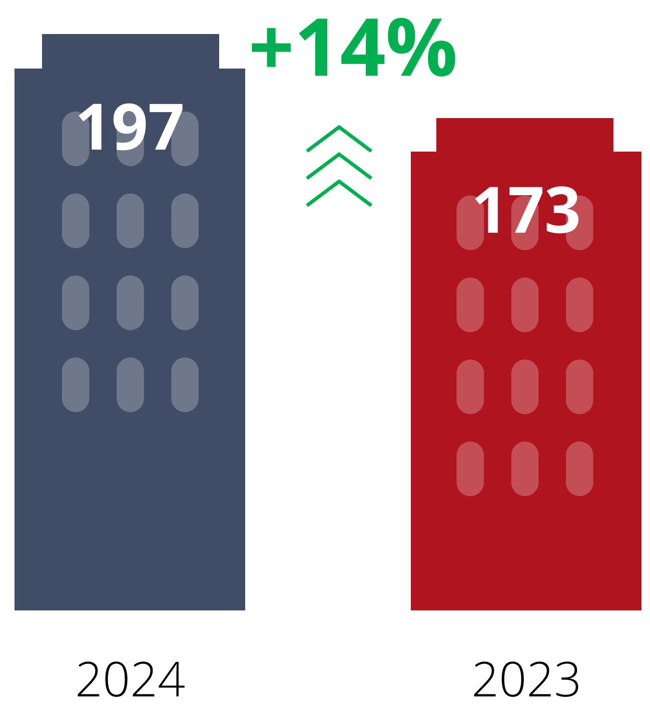
Revenues Real Estate Segment



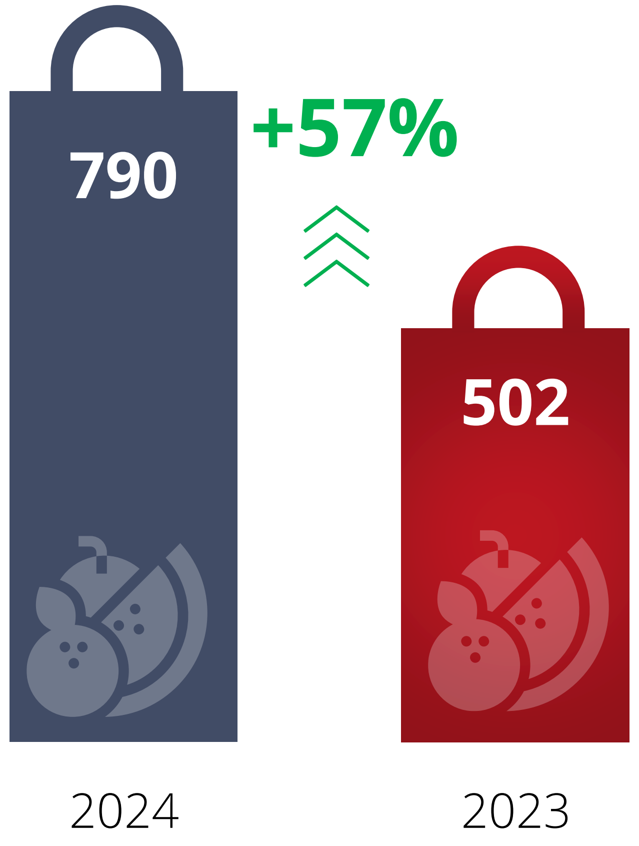
Revenues Retail Segment



Operating Profit* Real Estate Segment



Operating Profit* Retail Segment



* Before other Expenses / Income

Recap of Financial Positions (NIS Millions)

	31/12/2024		31/12/2023
Current assets	3,974		3,316
Non-current assets	10,948		11,597
Assets	**14,922**	⬆	**14,913**
Current liabilities	4,610		4,390
Non-current liabilities	6,273		6,955
Liabilities	**10,883**	⬇	**11,345**
Equity	**4,039**	⬆	**3,568**
Liabilities and equity	**14,922**		**14,913**

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Cash Flow (NIS Millions)

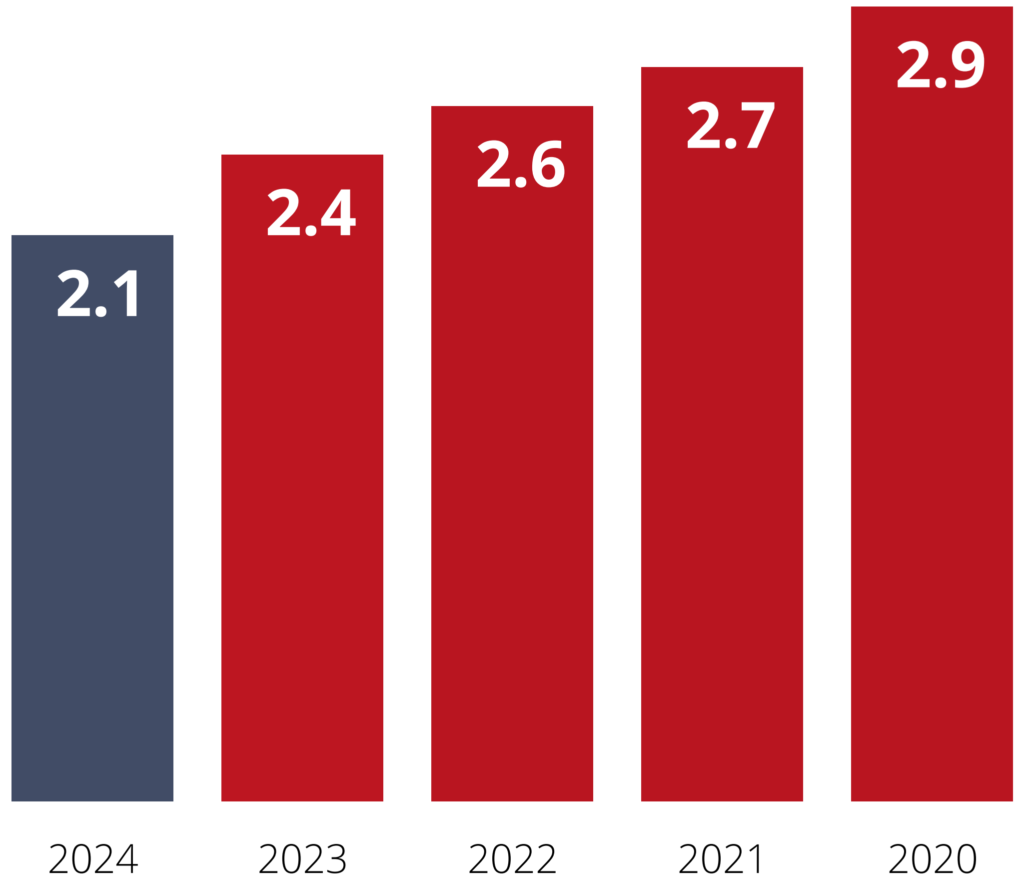
	2024	2023	2022
Operating Activities	2,238	1,949	1,319
Cash used for Investing Activities	(819)	(980)	(76)
Cash used for Financing Activities	(1,157)	(917)	(1,048)

Increase in Cash and Cash Equivalents	**262**	**52**	**195**
Cash and Cash Equivalents balance at the beginning of the period	683	631	436
Cash and cash equivalents at the end of the period	**945**	**683**	**631**

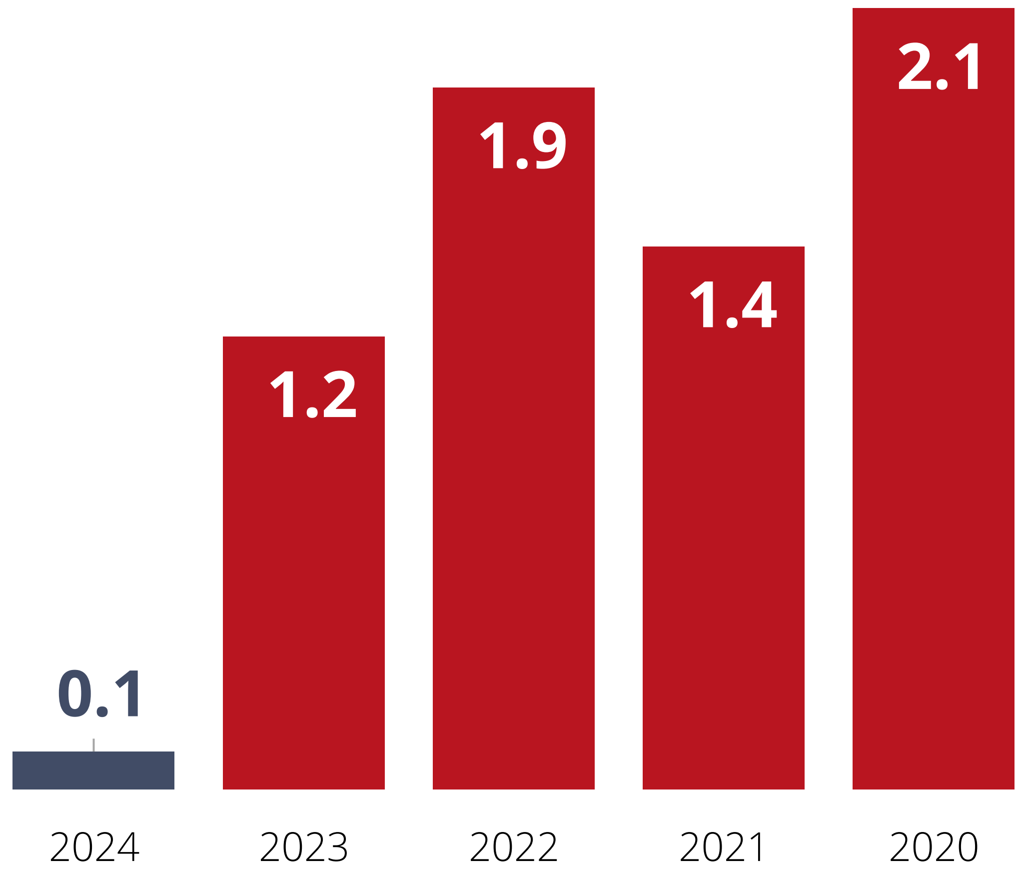
Short-Term Deposits at the end of the period	1,038	459	90
Total cash and cash equivalents and short-term deposits at the end of period	**1,983**	**1,142**	**721**

Financial strength | Significant Decrease in Net Debt
(NIS Billions)

Gross debt*



Net debt**



iLAA-/Stable
S&P Maalot rating

iLAA /Stable
S&P Maalot bond rating

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

We Continue Being at the Forefront of Change

2025

2025 | Looking Ahead

- **Continuing to Lead Retail in Israel**
- **Expanding Financial Services**
- **Stepping up Technology and Innovation**
- **Improving the Real Estate Segment**
- **Making Progress in Improving Operational Efficiency**

Continue to Lead Retail in Israel

Improving customer service

Completion of rebranding process and implementing new marketing language at stores

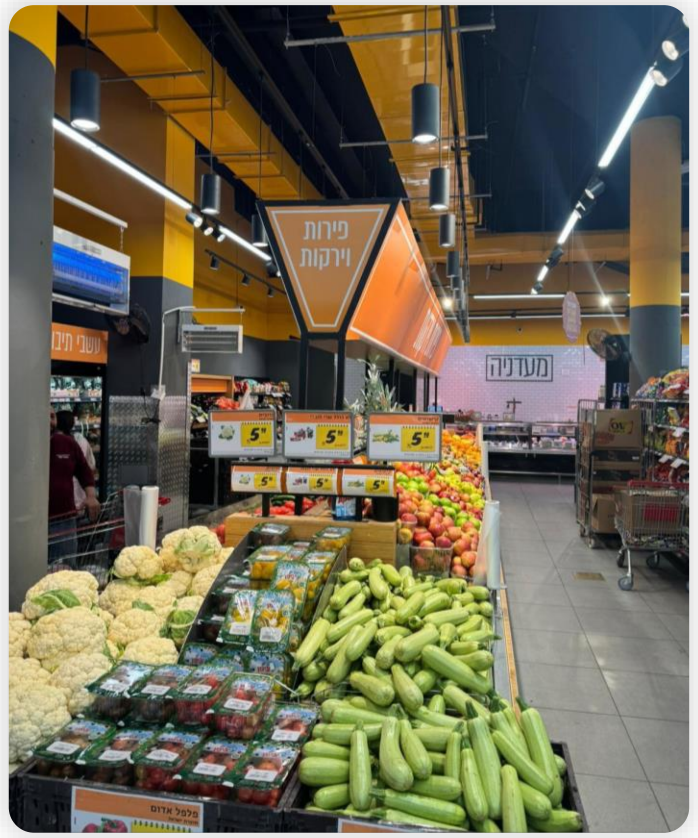
Opening new stores in various formats

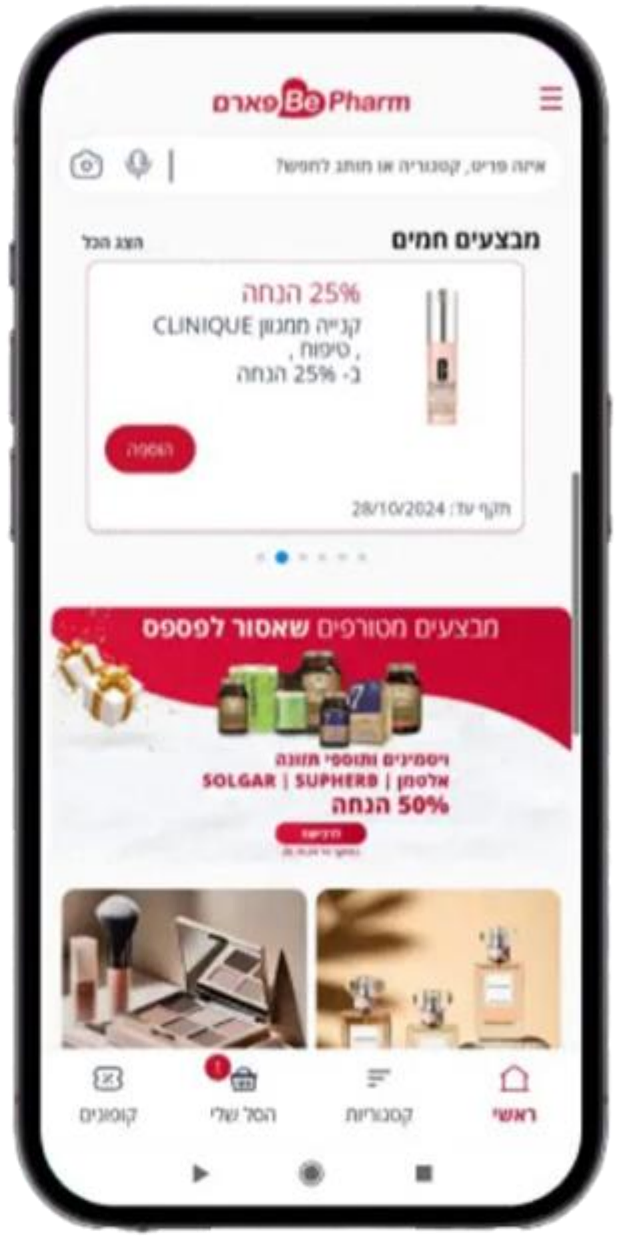
Expanding new Universe format nationwide

Accelerating investment plan to upgrade visibility of existing stores

Promoting private label transformation process to increase variety of products and adapt it to customer preferences

Developing profitable value propositions for club members





Expanding Financial Services

Initiating collaborations with new business entities

Expanding credit portfolio via new funding channels and reaching out to additional customer demographics

Developing innovative digital tools for financial activity

Launching new value program for Shufersal credit card holders

Investing in positioning the Shufersal credit card as first choice in digital wallet

Stepping Up Technology and Innovation

Promoting Multi-year Tech Projects to Upgrade Core Systems

Expanding the use of automation and robotics in supply chain and operation systems

Customizing shopping for improved experience on digital platforms

Developing service and customer experience by implementing new technologies

Improving Real Estate Segment

Implementing investment plan to upgrade existing properties and promote betterment and urban development planning procedures

Exploring land acquisitions and initiating new projects in strategic locations, including synergetic properties for retail activity

Improving management and operation of the Group's properties to increase tenant and visitor satisfaction

Making Progress in Improving Operational Efficiency

- Improving processes for Procurement goods and services and optimizing agreements to materialize the Group’s Procurement power
- Optimizing inventory levels and variety in various formats per customer preferences
- Increasing the use of Group's innovative tech tools to streamline supply chain and operational systems at stores and online
- Implementing cross-organizational work processes to increase productivity and reduce losses

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