



Electra Consumer Products

One of Israel's Foremost Consumer Products Groups

Investor Presentation | March 2023



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This presentation is likely to contain additional data that was not presented in the reports that the Company published to the public and/or information that is presented differently than how it was presented in the reports that the Company published to the public.

This presentation was prepared as a summary and for convenience only and is not intended to be a substitute for a review of the reports that the Company published to the public. In order to obtain comprehensive and complete information about the state of the Company’s condition, its business, and its financial results and in order to obtain a complete picture of the Company’s operations and the risks that the Company faces, review the quarterly statements, periodic reports, and statements published by the Company.

This presentation includes information that constitutes forward-facing information as defined in the Israel Securities Law, 5728-1968 (the “Securities Law”) including, without derogating from the generality of the above, information about 7-Eleven and Carrefour - where as of the reporting date, the Bitan Wines stores have begun operation under the Super brand as operation of a number of 7-Eleven stores, including regarding the speed, quantity, and date of the opening and/or conversion and/or launch of the stores and branches - the introduction of products and their national distribution, expected business results, expected sales, the launch of a credit card customer loyalty club, and the expected number of club cardholders (slides 9, 11, 14, 17, 19, 20, 22, 246), and the export revenues forecast (34).

Such information includes, *inter alia*, forecasts, including forecasts relating to closing deals; the opening of branches; business plans; targets; assessments; forecasts and estimates, including information presented through illustrations, graphs, surveys, and any other information presented in any way that addresses future events and/or matters whose occurrence is not certain and is not in the Company’s control and relies, *inter alia*, on the Company’s subjective assessments and plans as at the date of the presentation, its existing engagements, the Company’s current financial performance - including the Company’s sales and revenues - and on an analysis of the general information that was in the Company’s possession on the date on which this presentation was prepared - including data about the relevant industry, public announcements, research and surveys in which no undertaking was given as to the accuracy or completeness of the information included therein and whose accuracy was not independently examined by the Company. Forward facing-information, by its very nature, is subject to the risk that it will not come to pass and, as noted, is uncertain. The actualization of forward-facing information is likely to be affected by risk factors that characterise the Company’s operations (which are described in the Company’s 2022 periodic report as well as its notices and reports), including developments in the economic environment in which the Company operates, and by outside factors, including regulation, that are likely to affect its operations. Therefore, we hereby reiterate that the Company’s actual future results and achievements may materially differ from those presented as forward-facing information in this presentation.

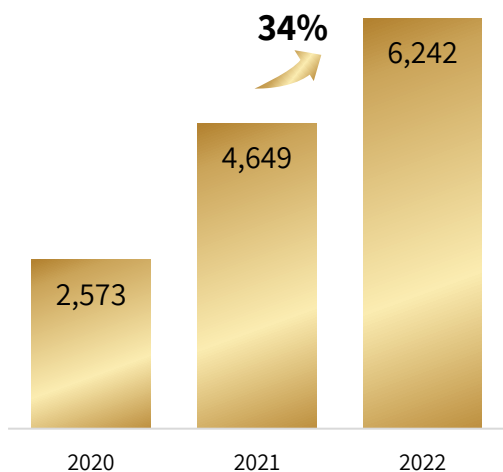
For the avoidance of doubt, we note that the Company does not undertake to update and/or change the information included in this presentation in order to reflect events and/or circumstances that occur after the date on which the presentation is prepared.



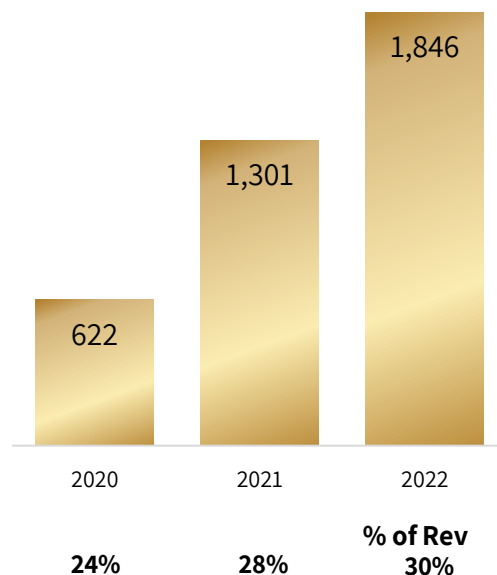
The Group's Operating Results in M NIS

2022 Results

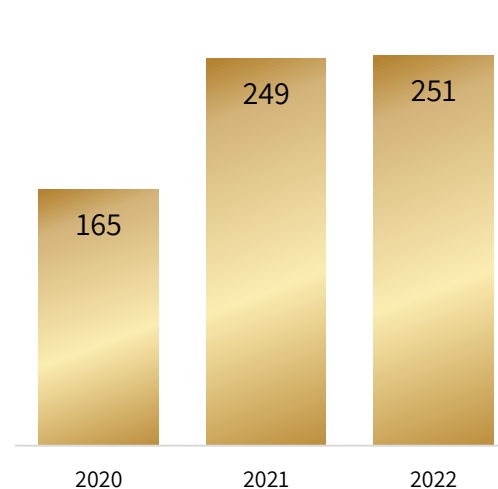
Revenues



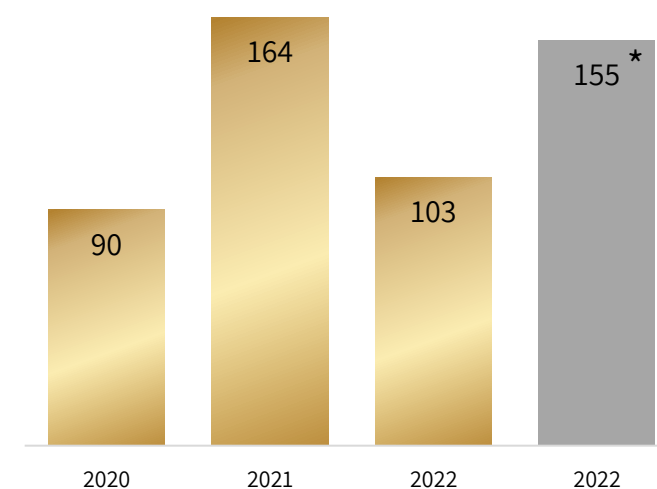
Gross profit



EBITDA without IFRS 16



Net income to majority shareholders

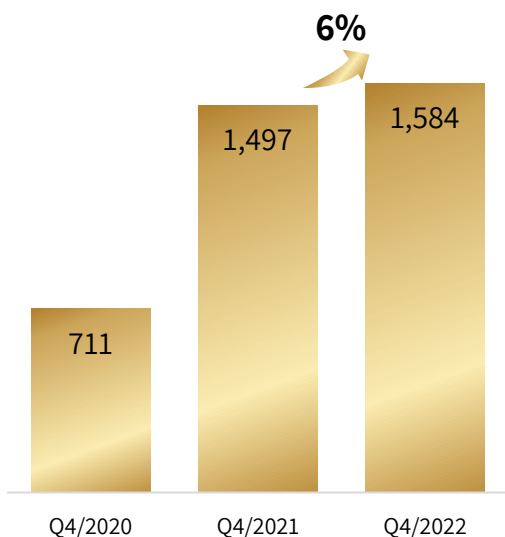


* Without the retail food segment

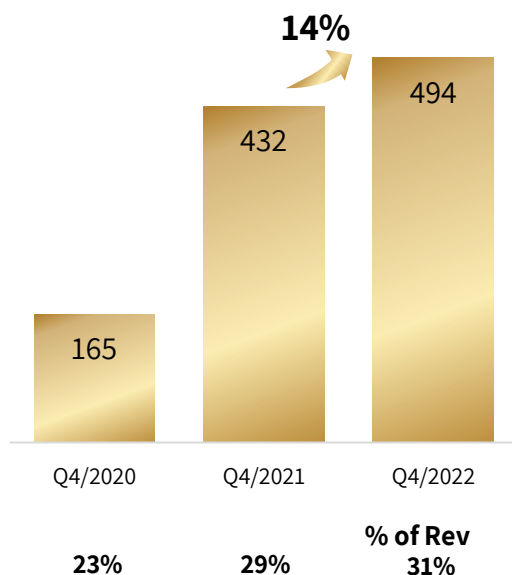
The Group's Operating Results in M NIS

Q4

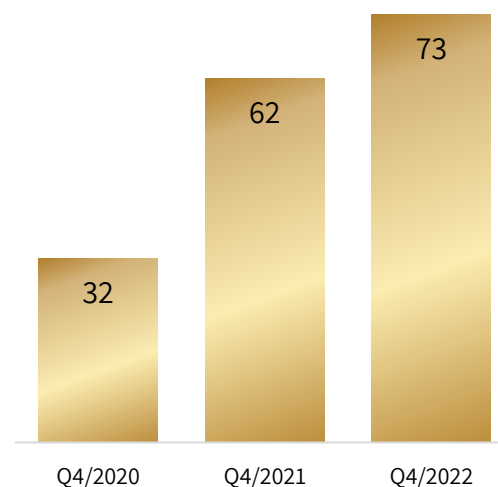
Revenues



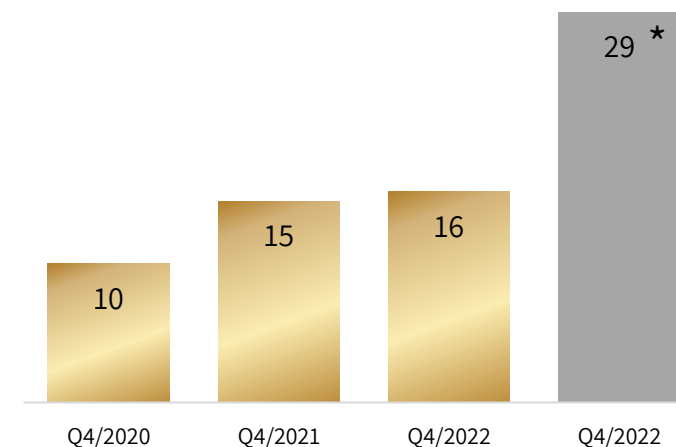
Gross profit



EBITDA without IFRS 16



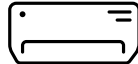




Net income to majority shareholders



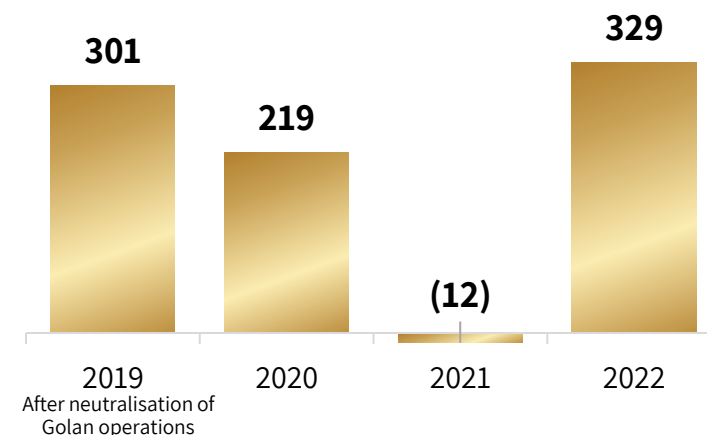
* Without the retail food segment

Significant Improvement in Inventory to Sales Ratios

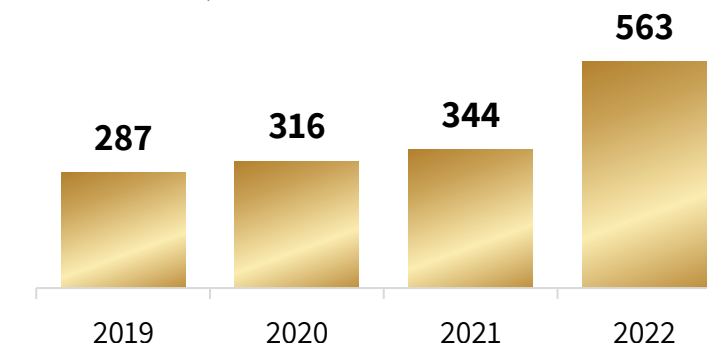
Optimal Inventory Management has Contributed to the Creation of Cash Flows from Current Operations of approximately **NIS 330 Million** In 2022

	 Electrical consumer products segment	 Electrical retail segment	 Retail food segment	 Sports and outdoors segment	 Consolidated ^{**}
2021					
Sales	1,240	1,780	2,954 [*]	91	5,899 [*]
End of year inventory	433	254	115	52	854
% of sales	34.9%	14.3%	3.9%	57.1%	14.5%
<hr/>					
2022					
Sales	1,387	1,950	2,841	214	6,242
End of year inventory	315	241	123	114	792
% of sales	22.7%	12.3%	4.3%	53.3%	12.7%

Development of cash flows from current operations (NIS M)



Development of cash balances (NIS M)



* Pro-forma data

** The consolidated column does not total the four segments because the investment real estate segment and the adjustments are not presented here.

The Group Continues to Strengthen its Financial Stability

And is Prepared for its Continued Growth and the Fulfilment of its Plans in the Coming Years

	Including the food segment				After neutralisation of the food segment			
	2019	2020	2021	2022	2019	2020	2021	2022
Financial asset (debt), net	(486)	362	(307)	(611)	(486)	362	(136)	(294)
EBITDA	241	165	249	251	241	165	211	228
Debt to EBITDA ratio	2.0	N/A	1.2	2.4	2.0	N/A	0.6	1.3
End of year cash balances	287	316	344	563	287	316	298	430

After neutralisation of the food segment, the Group has a financial debt, net, of approximately NIS 294 million, the decided majority of which derives from debentures at a fixed denominated interest of approximately 2.1%.

As of today, the Company maintains deposits in the sum of approximately NIS 335 million, short and long-term, at an average interest of approximately 2.4%.

After neutralisation of the food segment, in 2023-2024, the Group needs to repay principal of loans and debentures in the sum of approximately NIS 170 million while it maintains cash balances in its accounts of approximately NIS 430 million.

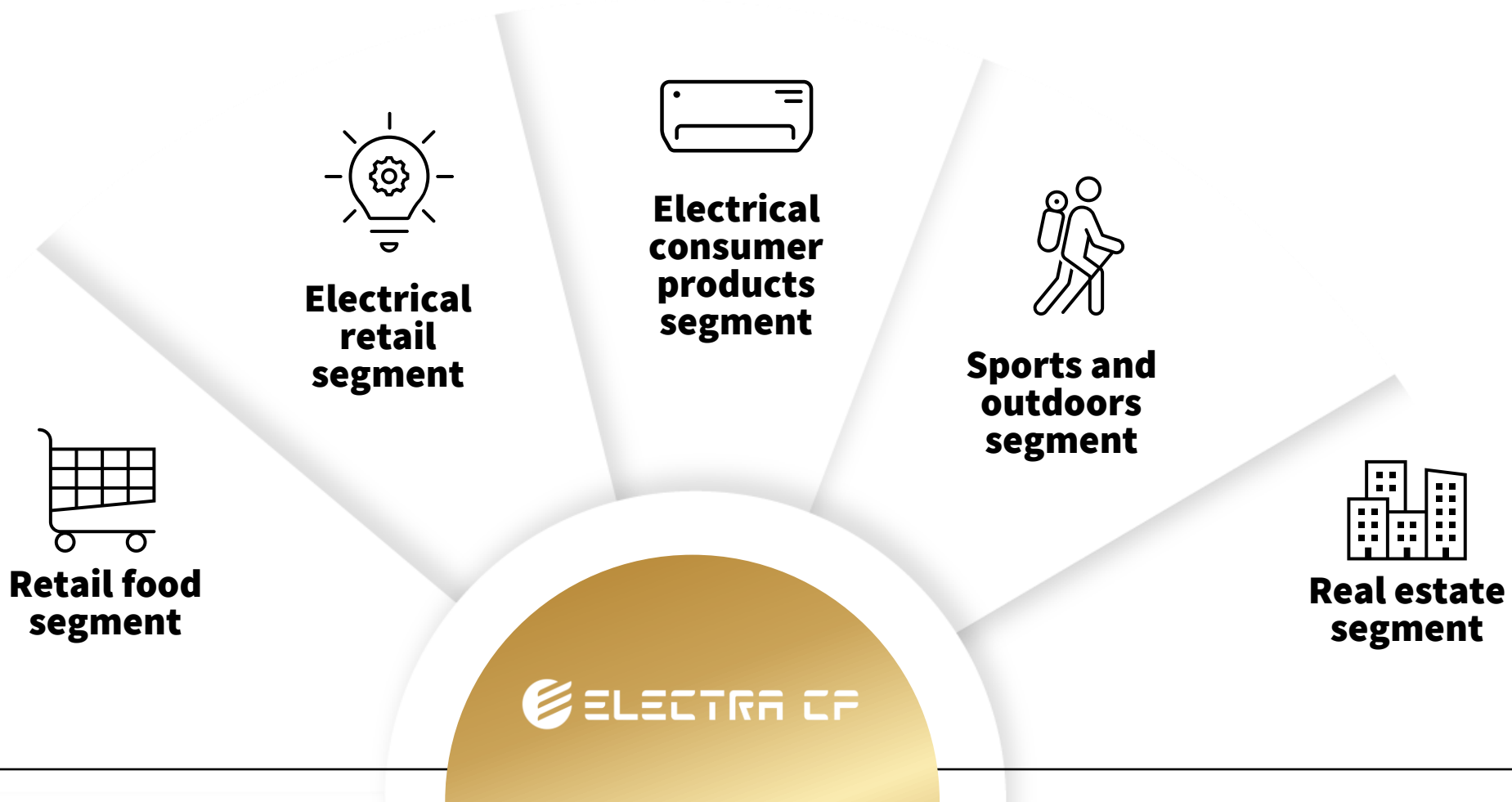
The Company has investment property presented in its statements (with consideration from Reality that has not yet been paid) in the sum of approximately NIS 335 million.

* All of the numbers presented in this slide are after neutralisation of IFRS 16, 2019, including Golan Telecom data.

** The Company's assessments in connection with continued growth of the Company and the fulfillment of its plans are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

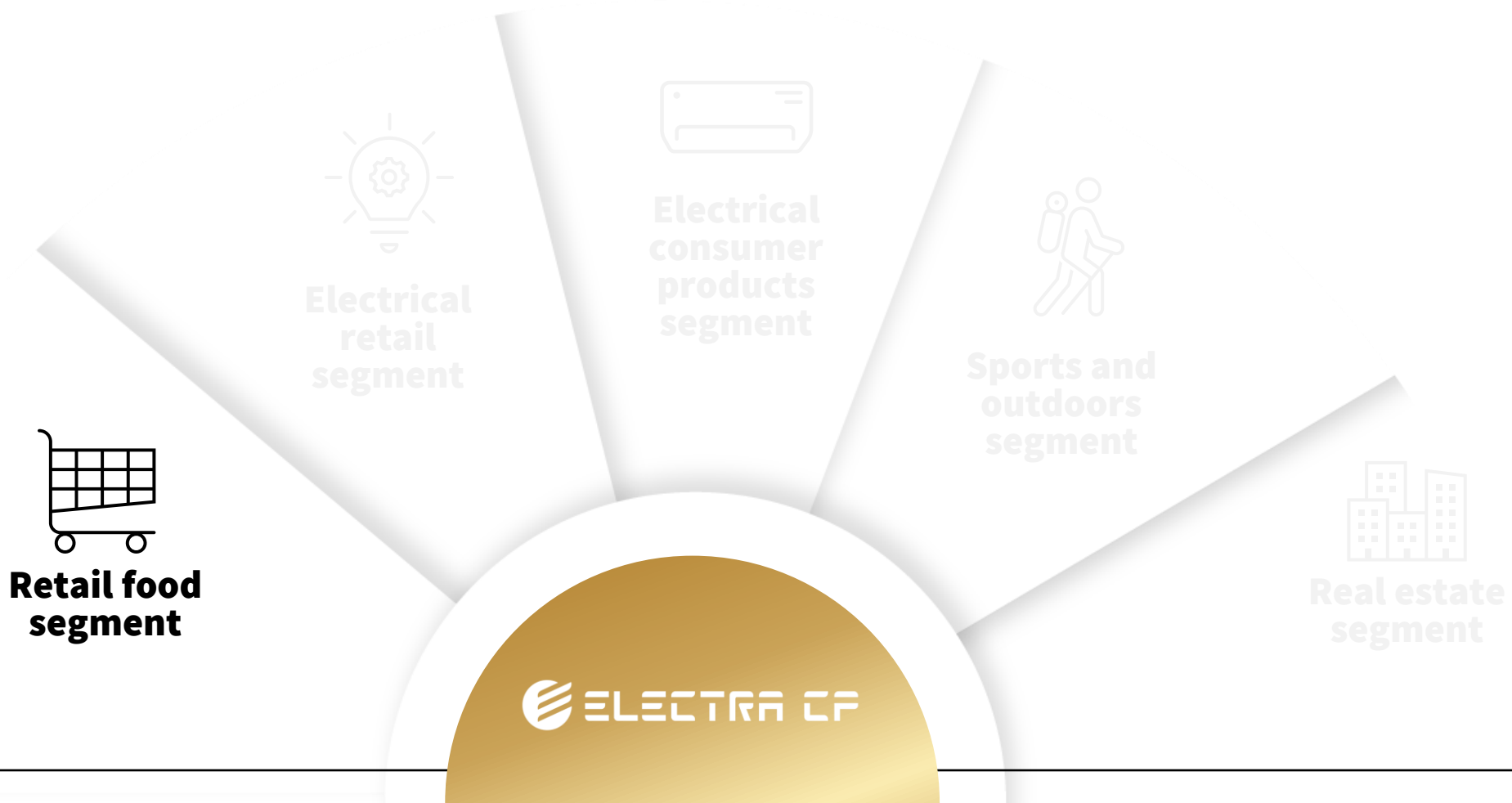
Electra Consumer Products

Israel's Foremost Consumer Products Group



Electra Consumer Products

Israel's Foremost Consumer Products Group



Electra Consumer Products Operates in the Food Segment with 2 leading International Giants



Carrefour

The largest supermarket chain in Europe is coming to Israel

#1

The largest private brand in Europe

€95B

annual sales turnover

+14K

Chain stores



Official launch May 2023

170

Carrefour brand products in stores

27

Converted stores

+40%

Growth in sales in converted stores

Source: Materials received from Carrefour Global



The largest chain of convenience stores in the world has come to Israel

\$130B

Annual sales turnover

+83K

Branches

19

Countries



We have launched the first three stores

6

Additional stores by the end of the first half of 2023

NIS 5,000

Sales per square metre for the months of January-February

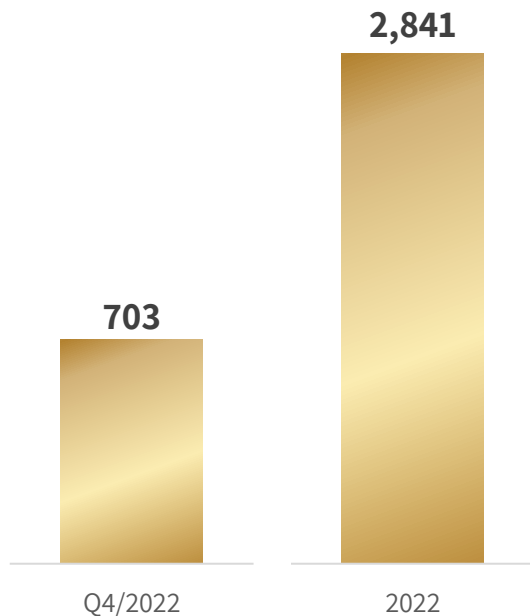
Source: Materials received from 7-Eleven Global

* The Company's estimates in this slide regarding the official launch of the Carrefour chain as well as the opening of new stores in the 7-Eleven chain are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

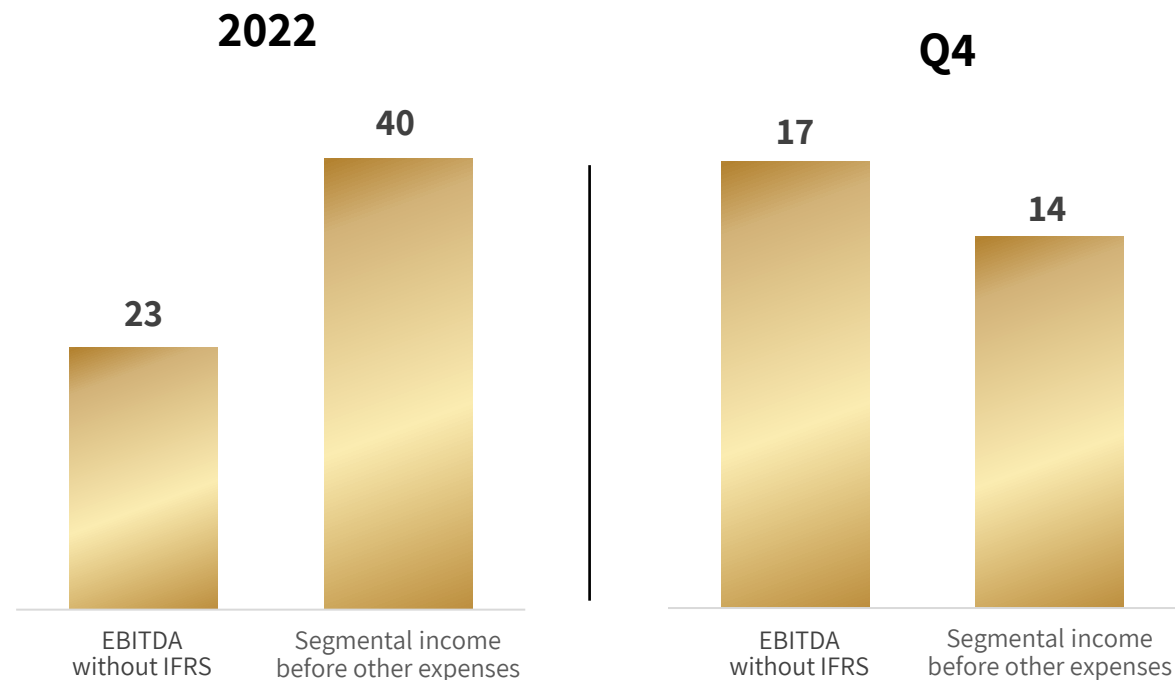
Retail food segment

Annual and Q4/2022

Sales (NIS M)



EBITDA and Segmental Income Before other expenses NIS M



* Other expenses – primarily depreciation in respect of renovation and conversion of stores

Up to now, We have Converted 27 Stores. We are Completing the Opening of 11 Stores Before the Holiday and 12 Additional Stores will be Opened Immediately After the Holiday Ends
By Q2/2024, All Stores will be Converted to Carrefour*

Store Name	Store Opening Date	Store Name	Store Opening Date
Dizengoff Square	4/22	Bar Ilan	9/22
Kiryat Ono	8/22	Tel Baruch	2/23
Ramat Hahayal	8/22	Zrubavel Ramat HaSharon	7/22
Or Yehuda	9/22	Ashkelon Barnea	3/23
Weizmann Tel Aviv	9/22	Netzer Sereni	3/23
Herzliya Leyad Habayit	10/22	Ashdod - City Mall	3/23
Vatikim	8/22	Ashdod - XII	3/23
Herzliya Pituah	12/22	Beit Hakerem	3/23
Maoz Aviv	9/22	Neveh Amirim	3/23
Nof Yam	12/22	La Guardia	3/23
Ramat Aviv C	1/23	Rosh Ha'Ayin	3/23
Tel Aviv Mashtela	12/22	Or Akiva	3/23
Savion Hill	12/22	Netanya Haplada	3/23
Tzur Yitzhak	12/22		



Significant growth in performance resulting from the conversion

+40%

increase in sales per square metre in renovated stores

* 7 out of the 27 stores that were launched in the last 10 days

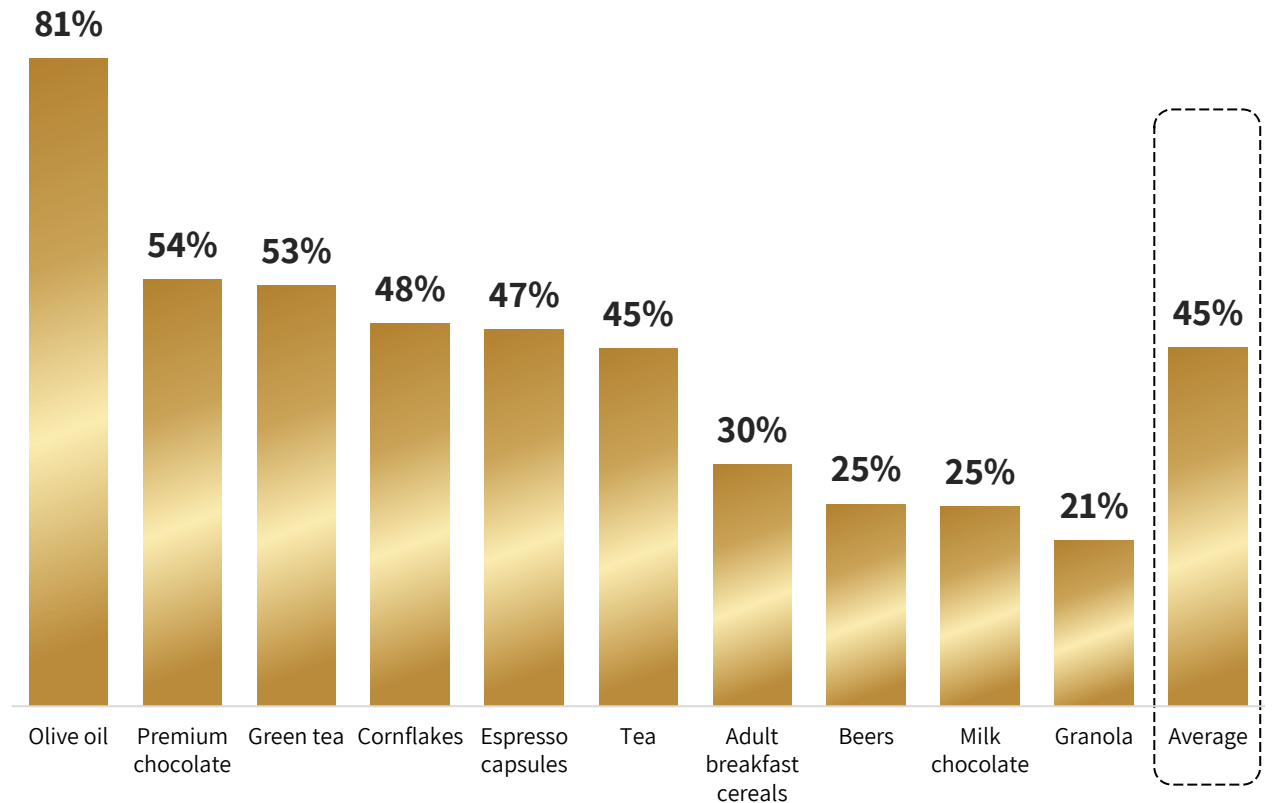
* Other than the Mehadrin Market

** As of today, not all of these stores have been converted. The Company's estimates in this slide regarding the number of stores and the dates on which they will be converted are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

To Date, We have Launched 170 Carrefour Brand Products and Are Capturing Significant Market Share in Various Categories

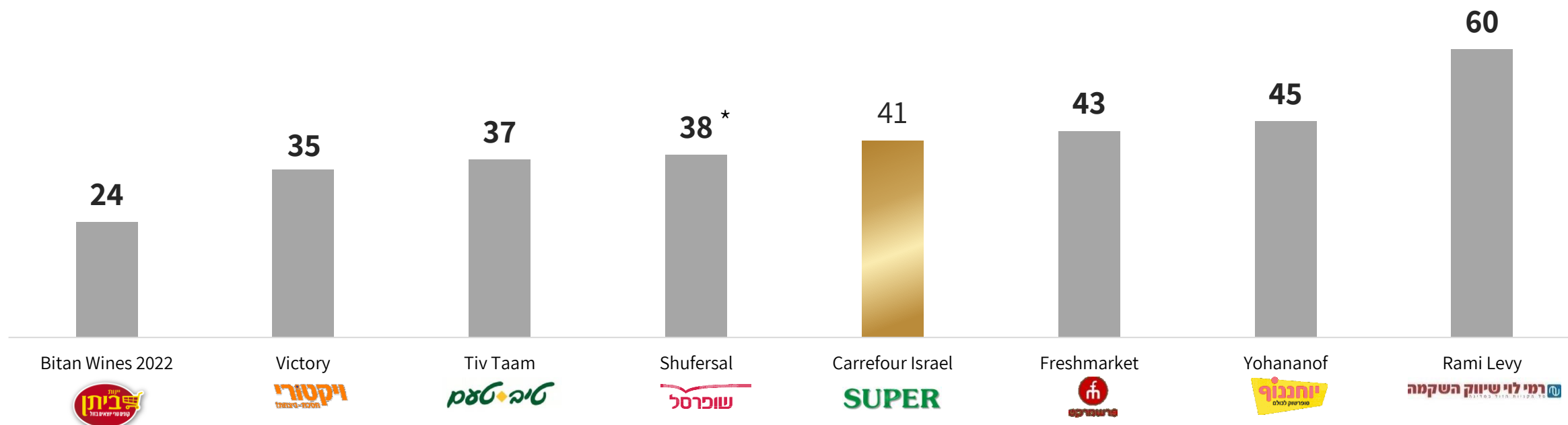


The Carrefour brand's market share by category at Carrefour Israel stores



Renovated Stores Show Significant Growth in Sales per Square Metre

2022 sales per sq. m. index



* Based on the Company's assessments. Shufersal does not publish a per square metre calculation, and therefore, the assessment of its net sales was made by calculating the average ratio of gross:net commercial space (appx. 70%) in the entire industry.

May 2023 Launch of Carrefour

50 Stores will be Opened around Israel on One Day with International Distinction, Messaging, and Uniqueness

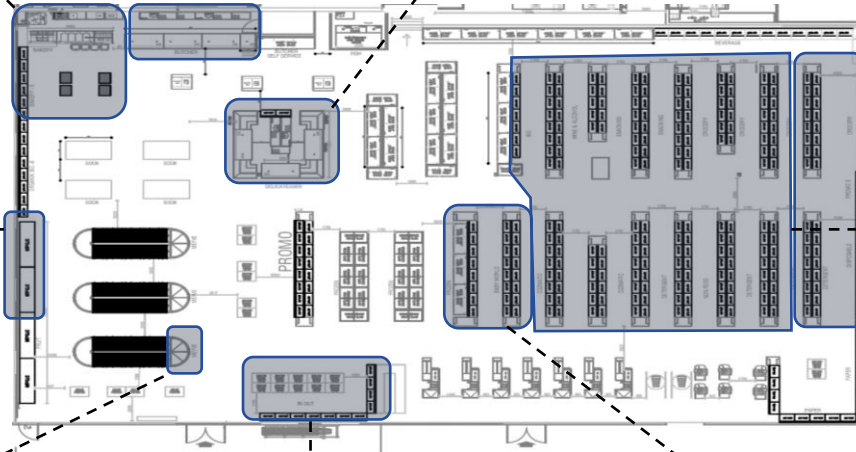
Carrefour Ramot Alon	Carrefour Matan	Carrefour Nof Zichron	Carrefour Beit Shemesh	Carrefour Bar Ilan	Carrefour Herzliya Pituah	Carrefour Dizengoff Square
Carrefour Neveh Zeev	Carrefour Ashdod - XII	Carrefour Kiryat Gat	Carrefour Netzer Sereni	Carrefour Tel Baruch	Carrefour Maoz Aviv	Carrefour Kiryat Ono
Carrefour Greenberg Haifa	Carrefour Ir Yamim	Carrefour Belinson Petah Tikvah	Carrefour Ashdod - City Mall	Carrefour Zrubavel Ramat HaSharon	Carrefour Nof Yam	Carrefour Ramat Hahayal
Carrefour Mazkeret Batya	Carrefour Holon - City Mall	Carrefour Ron Kfar Sava	Carrefour Beit Hakerem	Carrefour Or Akiva	Carrefour Ramat Aviv C	Carrefour Or Yehuda
Carrefour Ashdod D	Carrefour Ma'alot	Carrefour Neveh Avivim	Carrefour Neveh Amirim	Carrefour Netanya Haplada	Carrefour Tel Aviv Mashtela	Carrefour Weizmann Tel Aviv
Carrefour Alonei Hasharon Netanya	Carrefour Givataim Mall	Carrefour Modiin Shimshoni	Carrefour La Guardia	Carrefour Rosh Ha'Ayin	Carrefour Savion Hill	Carrefour Herzliya Leyad Habayit
Carrefour Jerusalem Ave. - Be'er Sheva	Carrefour Kfar Yona South	Carrefour Raanana - Ramah	Carrefour Hod Hasharon	Carrefour Ashkelon Barnea	Carrefour Tzur Yitzhak	Carrefour Vatikim

Carrefour Defines its Entry into Israel as One of the Company's Strategic Moves



Creating a Unique Shopping Experience

That Maximises the Per Square Metre Sales Potential and is Based On the Know-How of approximately 14,000 Carrefour Stores



We will Launch more than 1,000 Carrefour Products

The Brand will have a Presence in approximately 50% of Relevant Categories

500-600 food products, toiletries, and cleaning products in approximately 80 categories
600-800 non-food products in home related, DIY, and “in and out” categories



A Free Import Order that will allow Dozens of Brands to Be Brought into Carrefour Israel through Parallel Imports

Free Import Order



A permit to import products from an international chain in a developed country that has a brand store in Israel



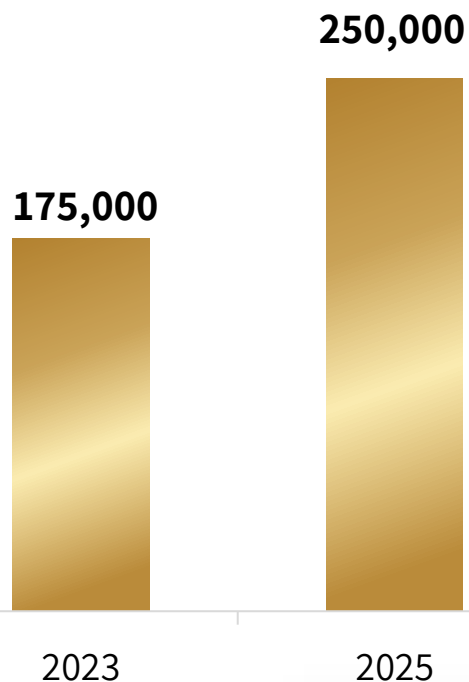
Importation of a line of imported brands directly, without regulation, will enable pricing that is attractive to the consumer.



The consumer will enjoy an international standard of new products that heretofore were not found in Israel.

The Launch of a Credit Card with Benefits from all of Electra's Chains that will Enlarge Shopping Carts and Create Synergy Across the Group's Operations

Expected loyalty club credit card holders



Launch of a credit card with Cal and Bit



These benefits will allow accrual and use throughout Electra Consumer Products chains



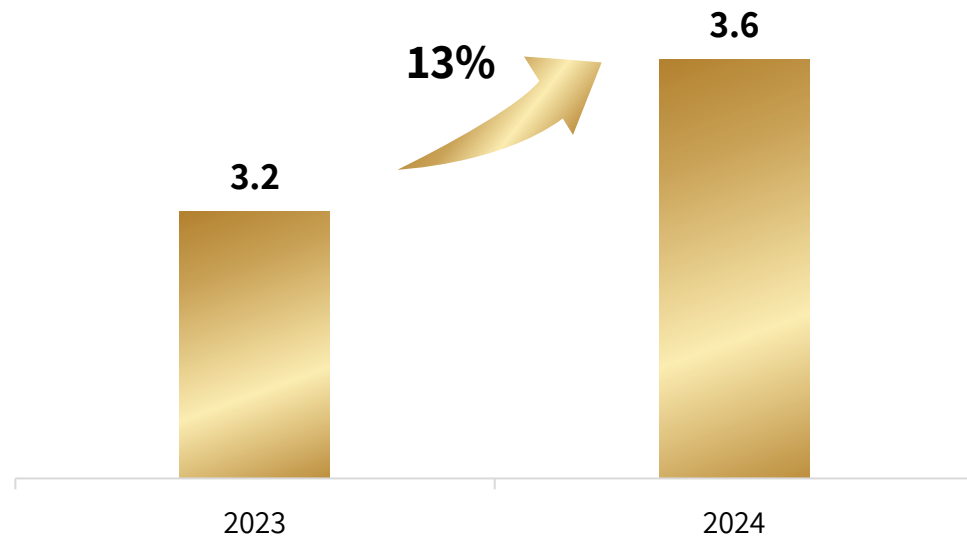
The Company has a Safety Net of approximately 30M NIS During Each of the First Two Years

* As of now, the above credit cards have not yet been launched. The Company's estimates in this slide regarding the launch of the credit cards and the forecast number of card holders and enlarged shopping carts are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

Carrefour Israel - 2024

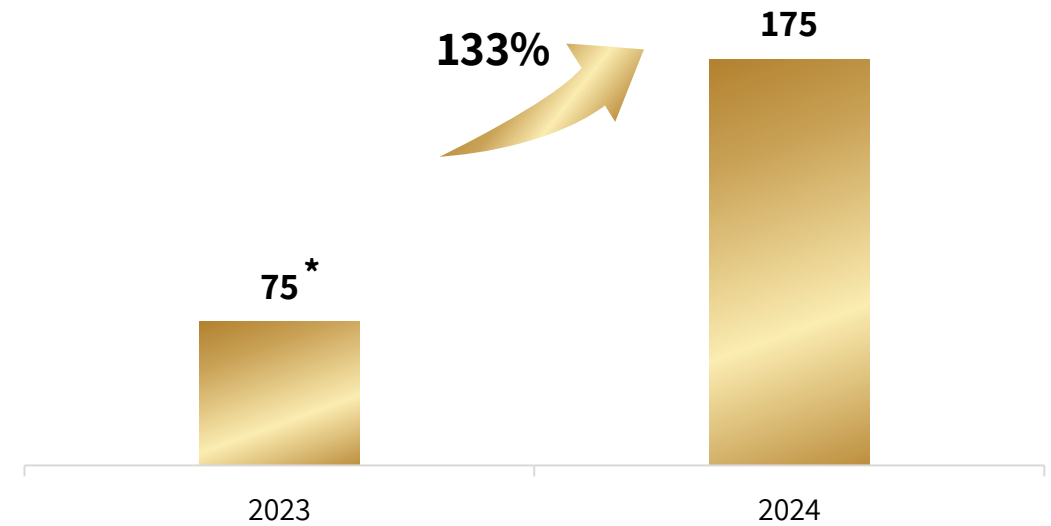
Sales volume of approximately NIS 3.6 billion

Sales, Carrefour Israel Group,
NIS billions after neutralisation of IFRS 16



EBITDA of approximately NIS 175,000,000

EBITDA, Carrefour Israel Group,
NIS millions after neutralisation of IFRS 16



* The Company's estimates in this slide regarding volume of sales and EBITDA are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

7-Eleven is Redefining the Convenience Market in Israel

A variety of Convenience Options

All under one roof



Huge potential market



8,000
Kiosks



2,500
Convenience stores at gas stations



5,000
Fast food stores

100 Branches by the End of 2024

Self Service – Unique, Cost-Efficient Operating Model

30

stores will open
in 2023

70

stores will open
in 2024

100 m²

average store size

NIS 700K

investment per
store

NIS 5,000

Monthly sales per m²
in the first store



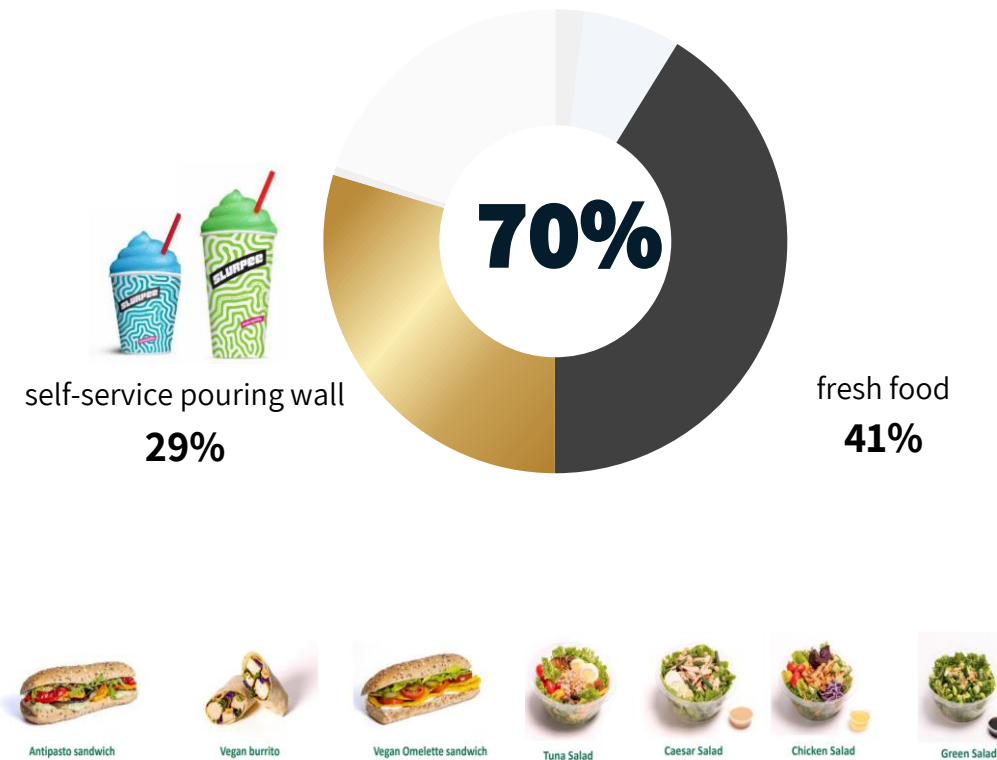
* The Company's estimates in this slide regarding the stores, opening rate, and sales are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

The Chain has a Clear Competitive Advantage with the Launch of Approximately 100 7-eleven Skus with a Broad Variety of Solutions

Variety of flavors | Variety of products | Variety of categories



Actual sales breakdown



3 Stores Have Already Opened, 6 More are Expected to Open during The First Half of 2023

Opened



Nahalat Binyamin - Open
1 Nahalat Binyamin, Tel Aviv

Opened



Rubinstein - Open
20 Lincoln, Tel Aviv

Opened



Dizengoff Centre - Open
Dizengoff, Tel Aviv



Hatzeirim Towers - Close to being signed
150 Menachem Begin, Tel Aviv



Florentine - Under construction
72 Abarbanel, Tel Aviv



Abouelafia - Under construction
5 Yefet, Tel Aviv



Sokolov - under construction
45 Sokolov, Hod Hasharon



Levinski - Under construction
18 Ha'Aliyah, Tel Aviv



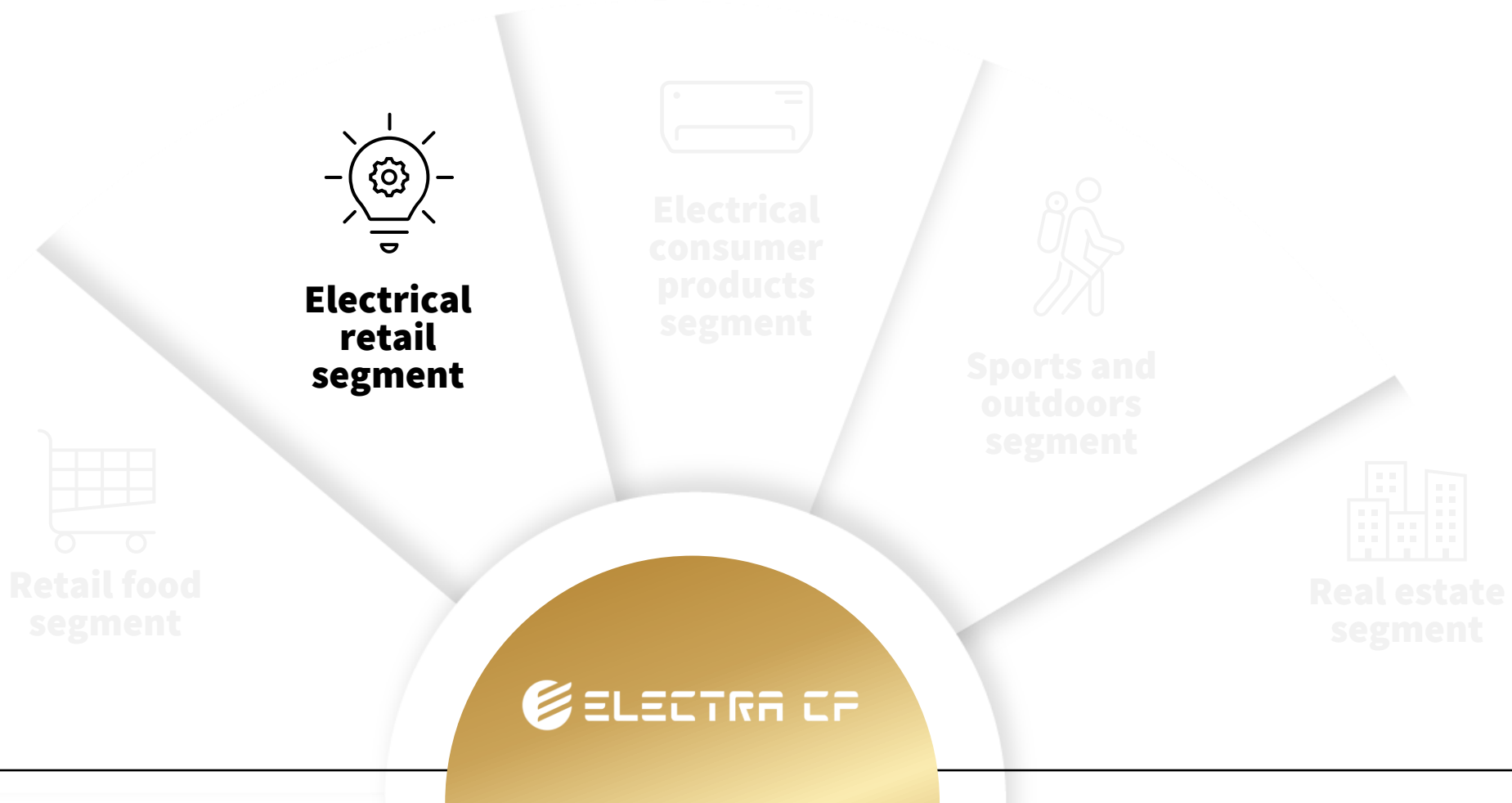
Yigal Alon - Under construction
64 Yigal Alon, Tel Aviv

24.3.23 Launch of Nahalat Binyamin Store, Tel Aviv



Electra Consumer Products

Israel's Foremost Consumer Products Group



Electrical Retail Segment

The Two Leading Chains in Israel with 77 Stores Spread out across the Country

מחסני חשמל

אלקטריק
בטוח שקנית טוב

DUTY FREE **אלקטריק**
בטוח שקנית טוב

2022

Approximately

NIS 2B

Revenue in 2022

10%+

Annual sales
growth

1.3%+

Same store,
including duty-
free operations

NIS 85M

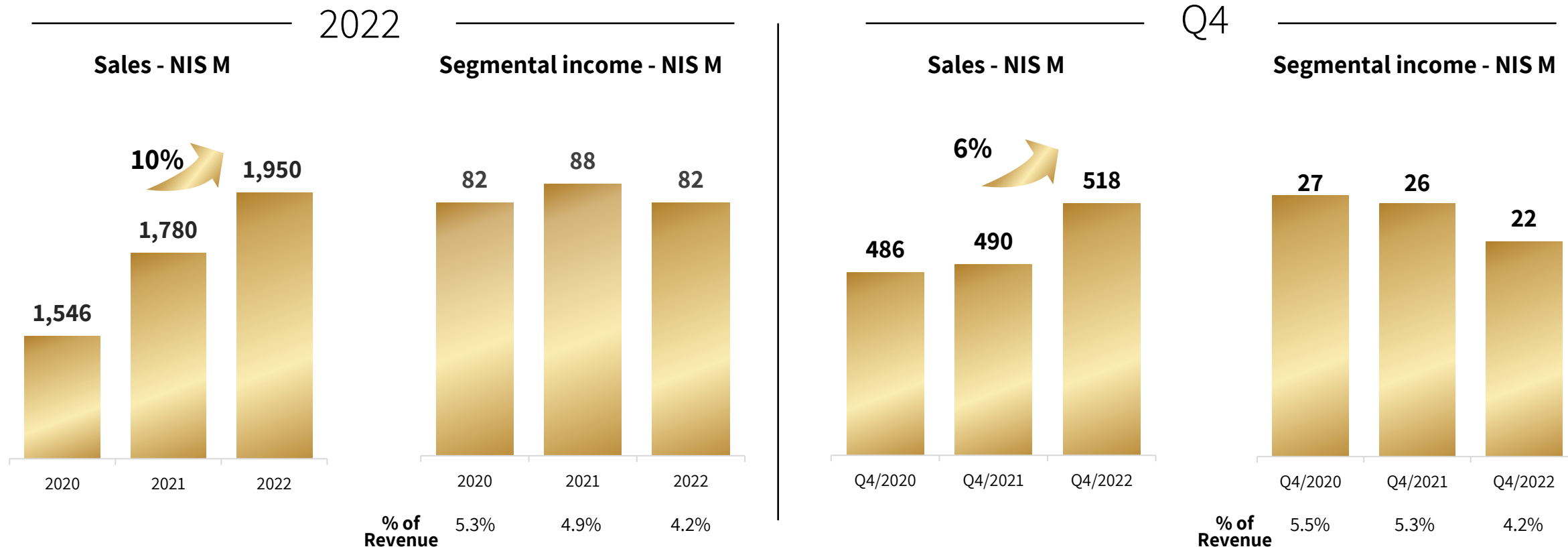
Sales turnover in
Arab sector in
2022

NIS 184M

Annual Electra
brand (Private
Label) sales

Electrical Retail Segment

Consistent Sales Growth

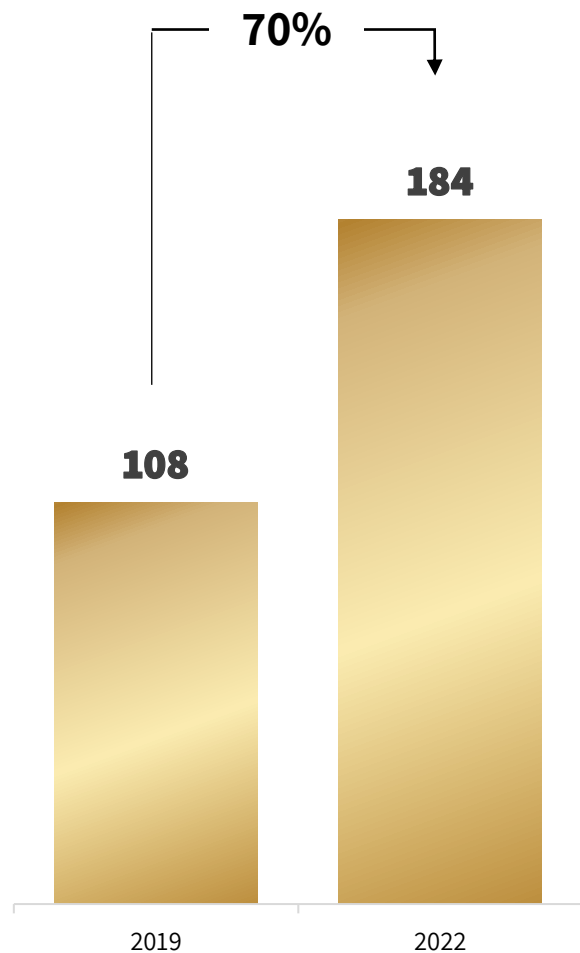


* The slight erosion in profitability derives from the opening of stores, which will improve future profitability.

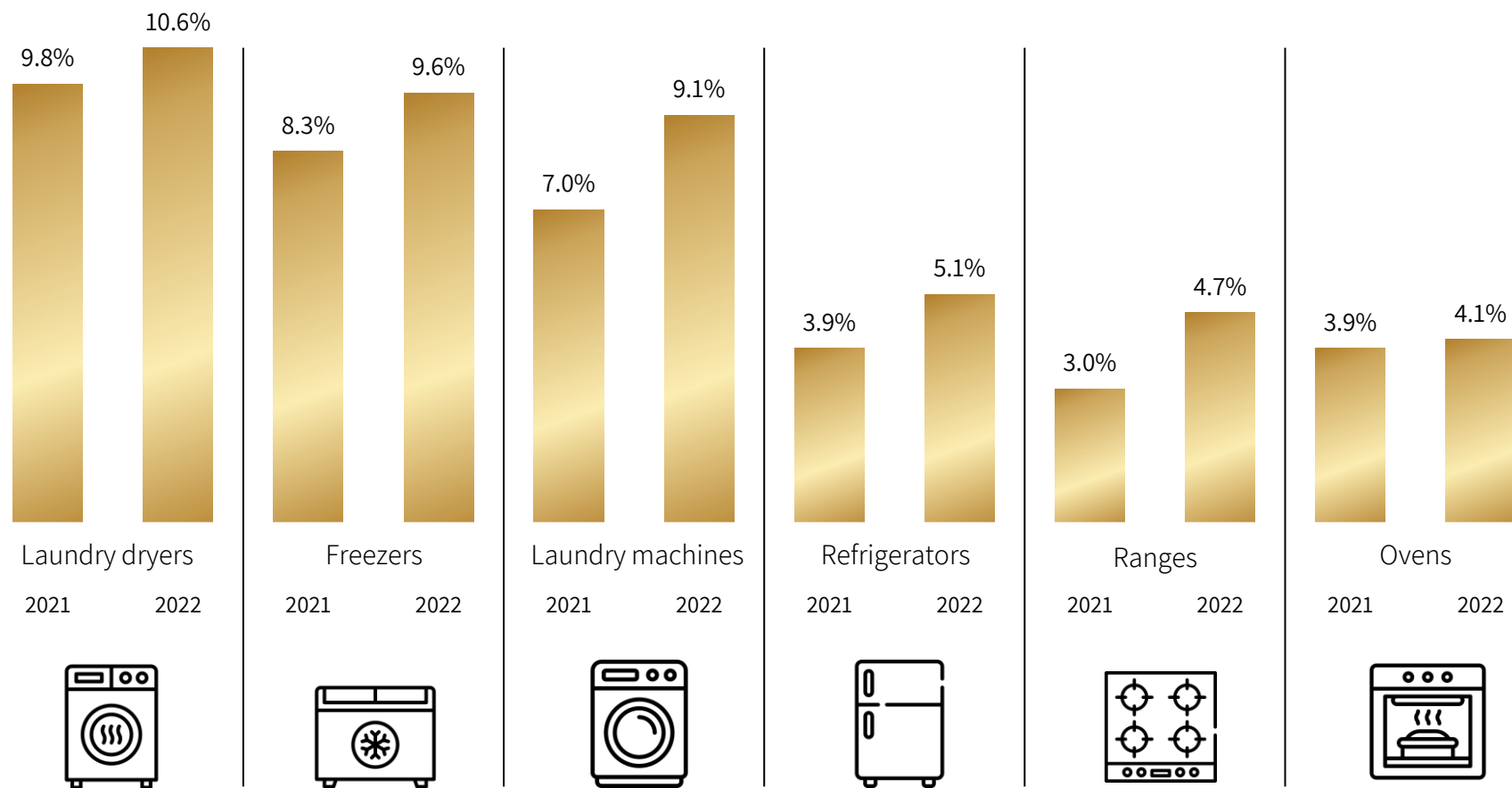
70% Growth in Electra Brand Sales Within 3 Years

Growth in the Electra Private Brand Market Share in all Categories

Electra brand sales, NIS Millions

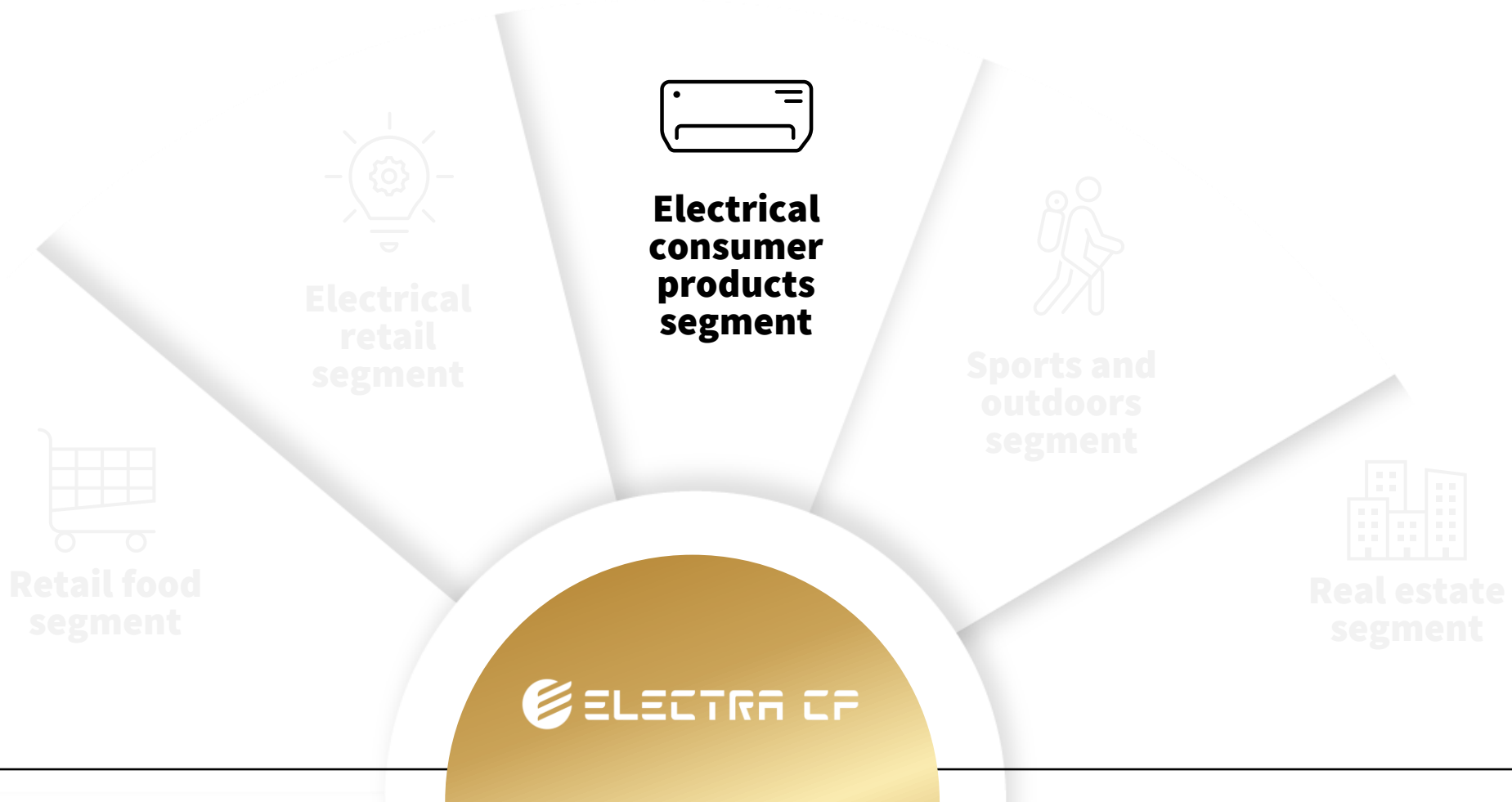


Electra brand market share by category



Electra Consumer Products

Israel's Foremost Consumer Products Group



Electrical Consumer Products Segment

Manufacturing, importing, and distributing air conditioners and heating systems in Israel and in Europe



#1

Has led the market for 75 years

40%

Market share

+400K

Units sold per year

Electrical brands imports and commerce



#1

Sauter leads the cooking and baking category

750K

Number of items sold annually

1,000

Points-of-sale throughout Israel

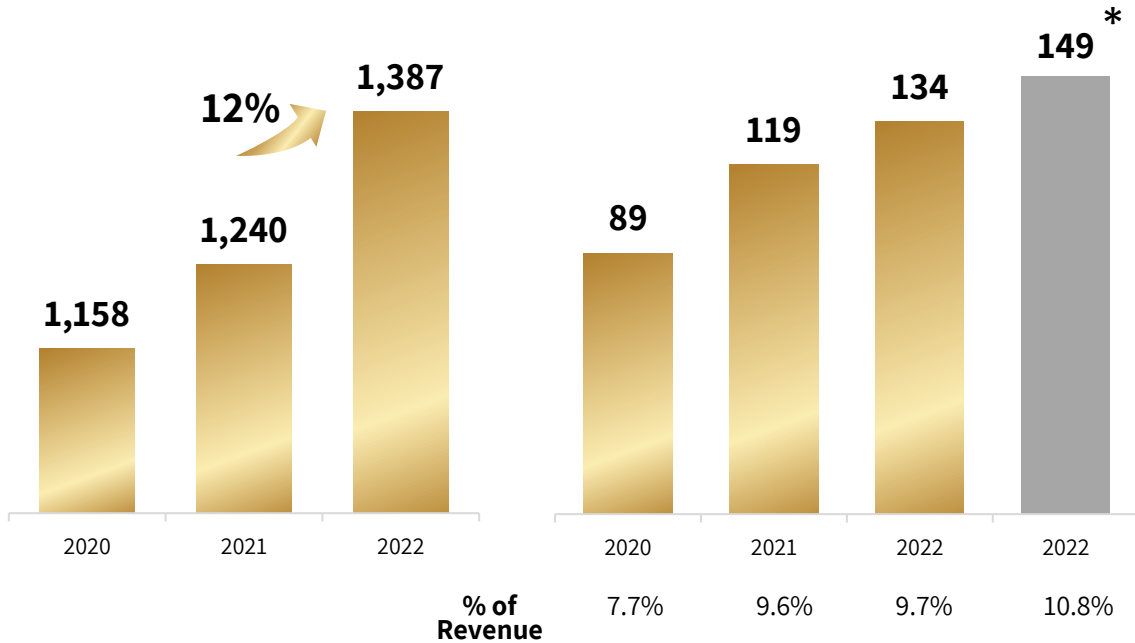
Electrical Consumer Products Segment

Significant Growth in Local Air Conditioner Market and Exports to Europe

2022

Sales - NIS M

Segmental income - NIS M

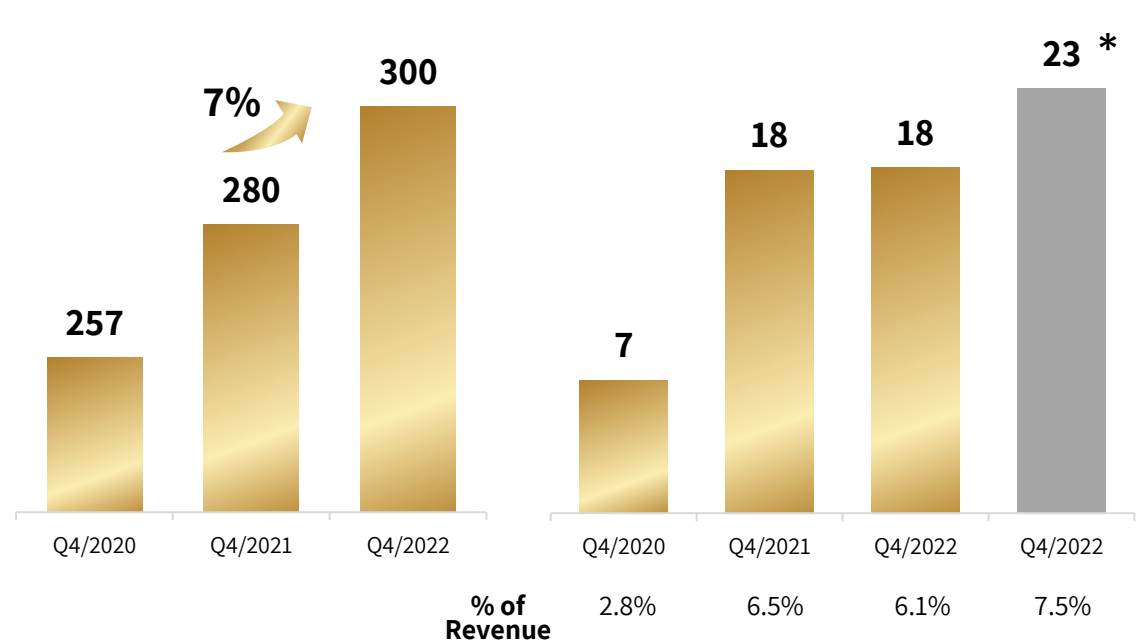


* After neutralisation of the effects of the euro on exports

Q4

Sales - NIS M

Segmental income - NIS M



* After neutralisation of the effects of the euro on exports

Significant Climate Control Achievements in 2022

We Continue to Exhibit Growth and Profits while Decreasing Inventory Quantities

+17%

Increase in air conditioning and climate control systems turnover

+22%

Growth in gross profits from sales of air conditioners in the local market following the launch of new series

+171%

Increase in export sales turnover

+2%

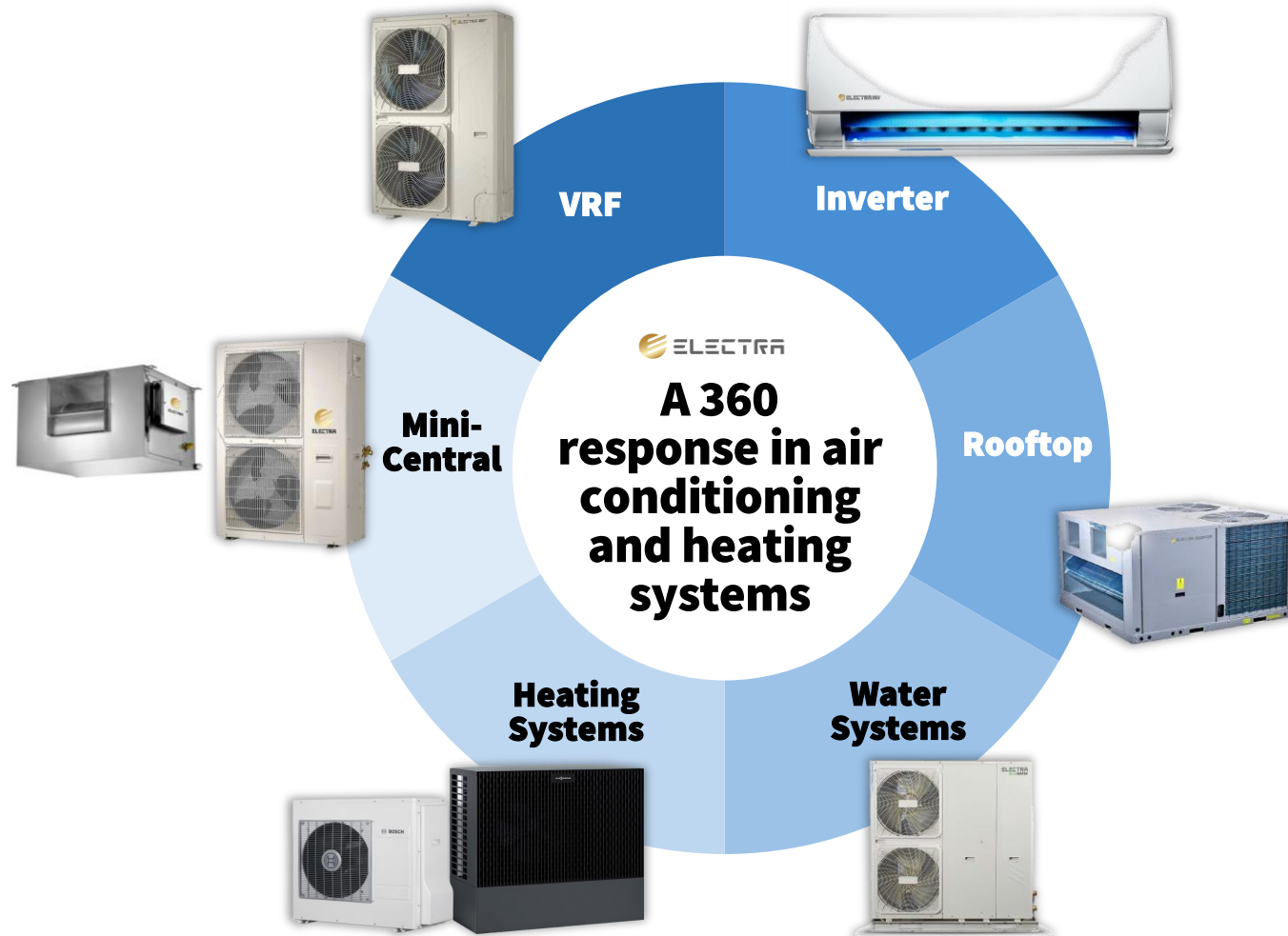
Increase in local market sales turnover

12%

Improved end of year inventory as percentage of sales

175M NIS

Accumulated Daikin and Electra projects Growth of approximately 43% compared to last year



The Electra-Bosch Partnership

Heating Systems Leader in Europe

Electra is a world leader in the development of energy efficient heating systems, and our products are sold in 14 European countries

Development of advanced R32 gas systems with an A+ energy rating, adjusted to EU regulations

Manufacturing of innovative products that allow a savings of up to 80% in electricity consumption

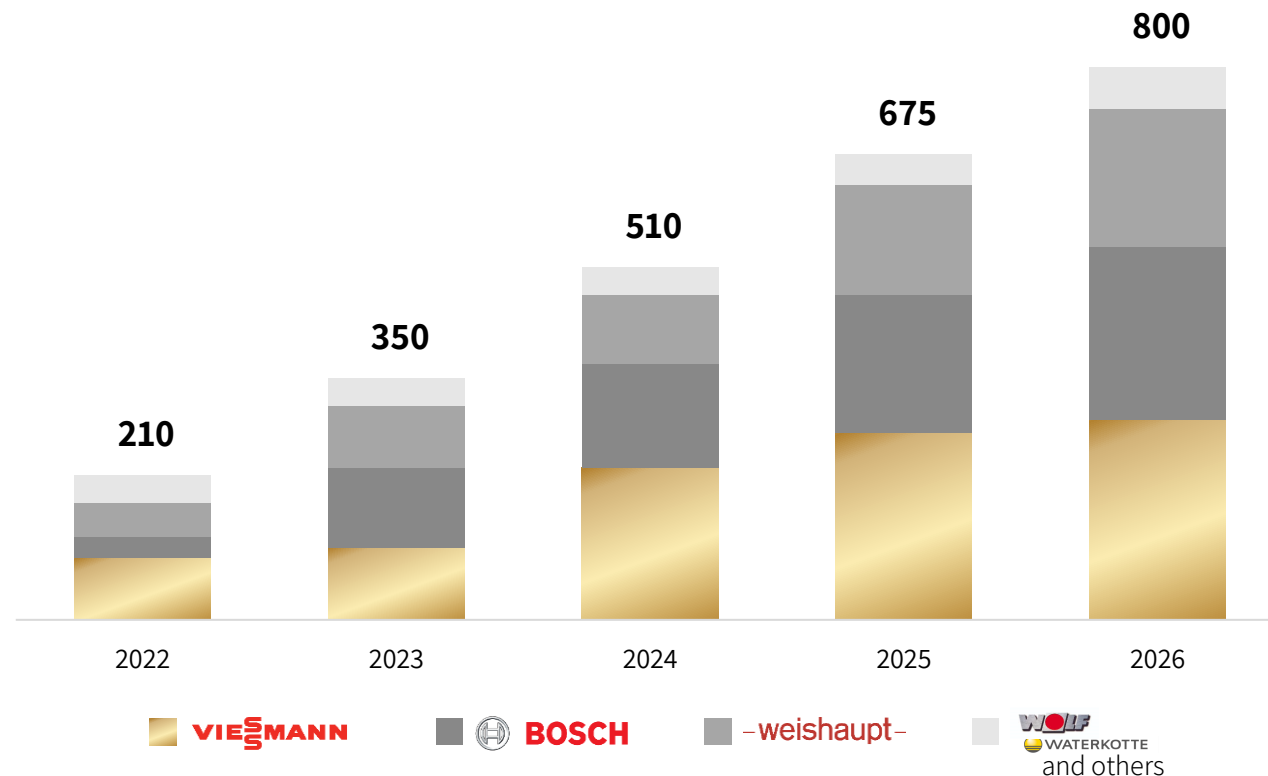
Operations are a joint hub of central customers in Europe

We doubled the number of manufactured units in 2022

Twice the number of orders have been signed compared to current operations

In Q4/2024, we will move to the new factory in Ashkelon, which will double manufacturing capabilities

Electra-Bosch sales forecasts for Europe in NIS millions



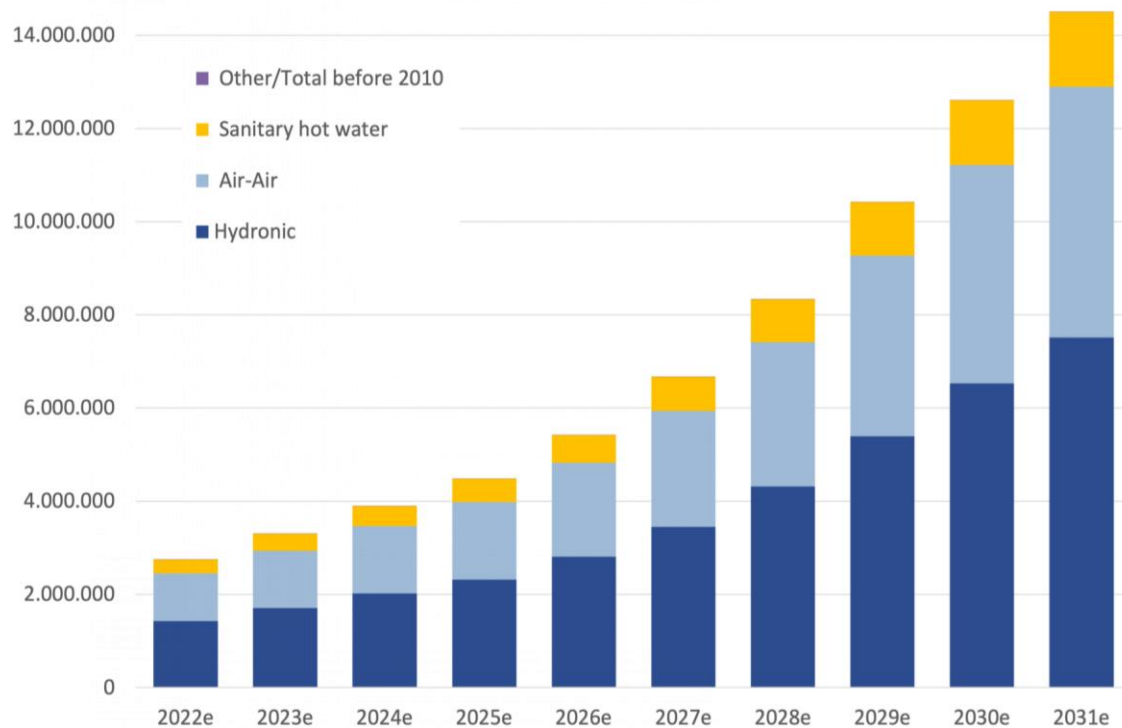
* The Company's estimates in this slide regarding the sales forecast for the European market and the effect of the timing of the move to the factory in Ashkelon on manufacturing capabilities are forward-facing information - as defined in the Securities Law, as described in Slide 2 of this presentation - that is based, *inter alia*, on the opening of stores according to the Company's business plan.

The Heat Pumps (HP) Market in Europe Is in the Midst Of Accelerated Growth

The Energy Crisis is Accelerating European Regulation and Increasing Demand

Accelerated growth with an expectation of 10 billion units in another five years

Growth forecast for the European market, in units



Electra-Bosch manufactures for the five leading companies in Europe that, together, hold a 45% market share



BOSCH

VIESSMANN

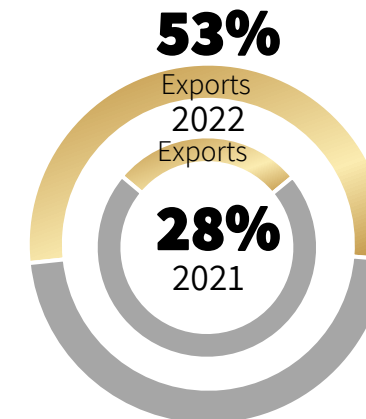


WATERKOTTE

-weishaupt-



The rate of exports in the Electra-Bosch factory has increased by approximately 90%!



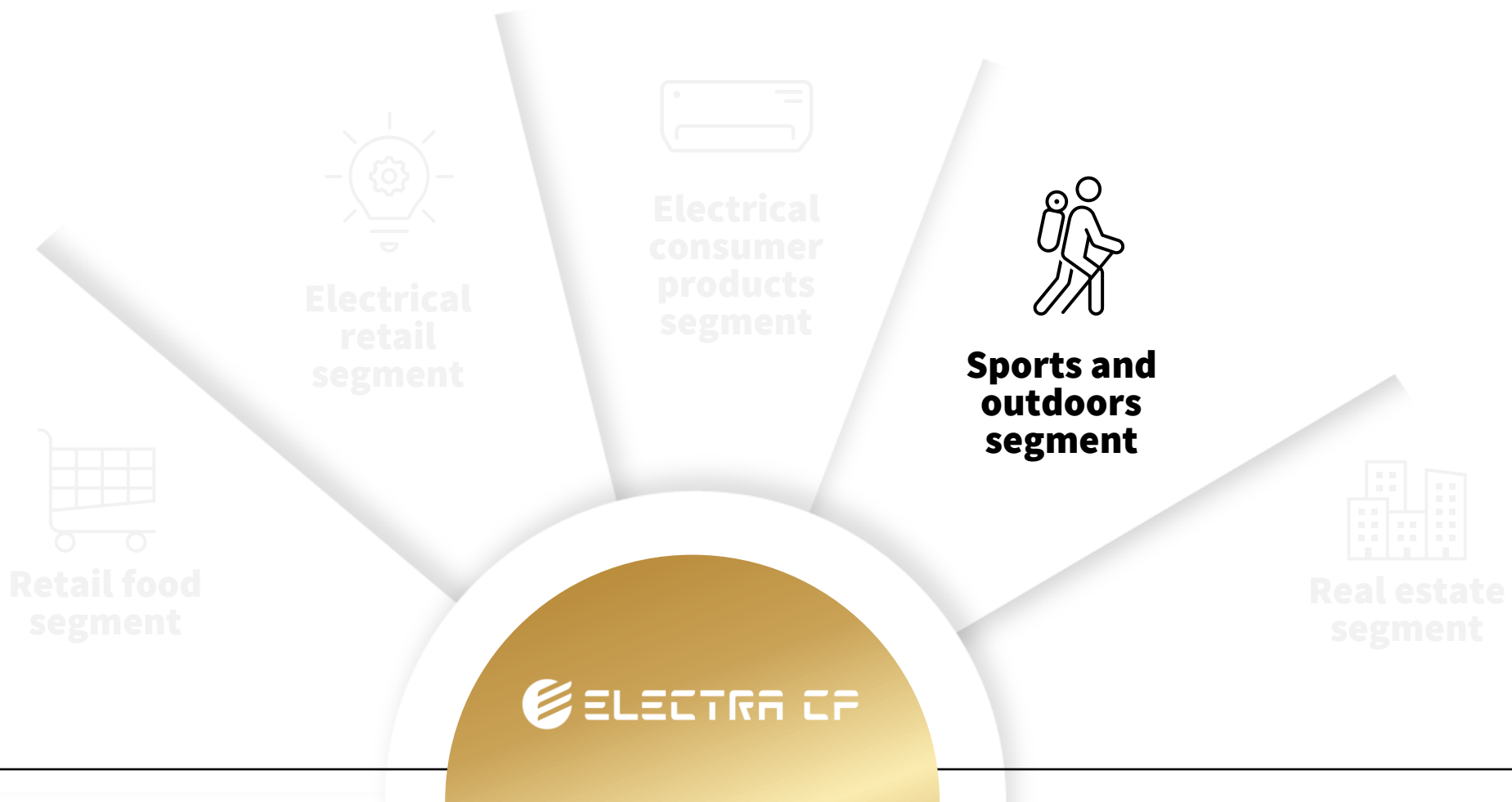
Laying the Cornerstone for the Establishment of a Technology Park in Ashkelon

A Factory For Manufacturing Heating and Climate Control Systems for Europe and Israel, in Collaboration with Bosch



Electra Consumer Products

Israel's Foremost Consumer Products Group



Sports and Outdoors Segment

The Largest Adidas Franchisee in Israel, Exclusive Importer and Distributor of the Columbia Mega Brand And Dozens of Other Sports, Outdoors, and Lifestyle Brands



34 → **65**

2021
(Prior to acquisition)
Number of stores

2022



Completion of the acquisition of 16 Adidas stores in September



No. 1 distributor in the world
Per capita

+40%

Growth in sales compared to Q4 of the previous year

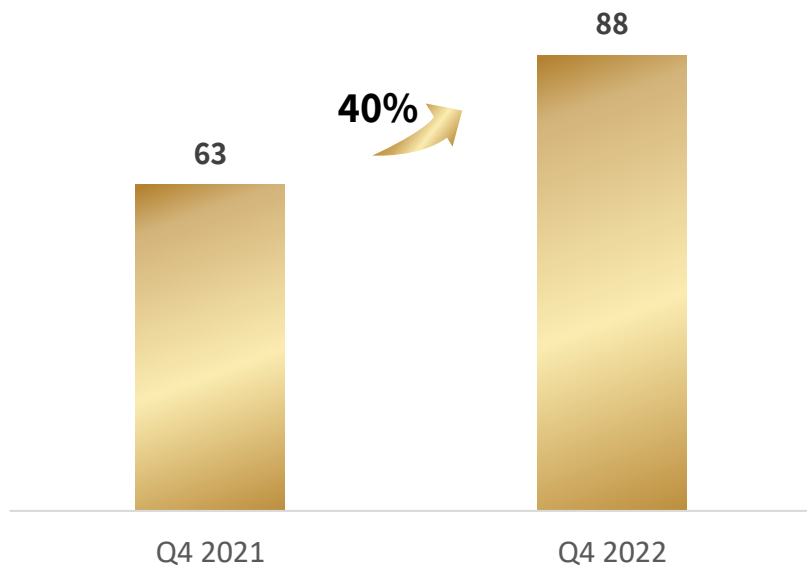
+2%

Growth in Q4 same-store sales

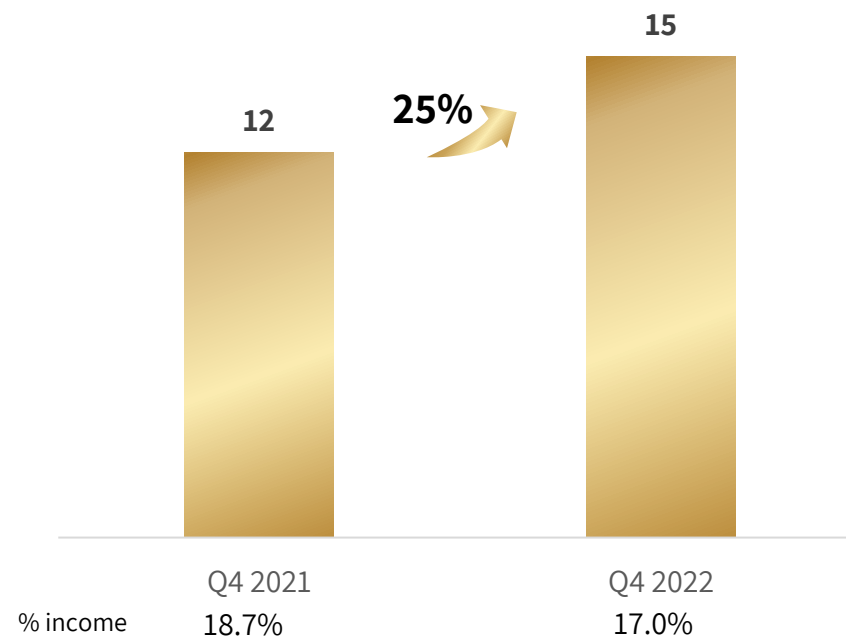
Sports and outdoors segment

Record Sales in Q4

Sales, M NIS



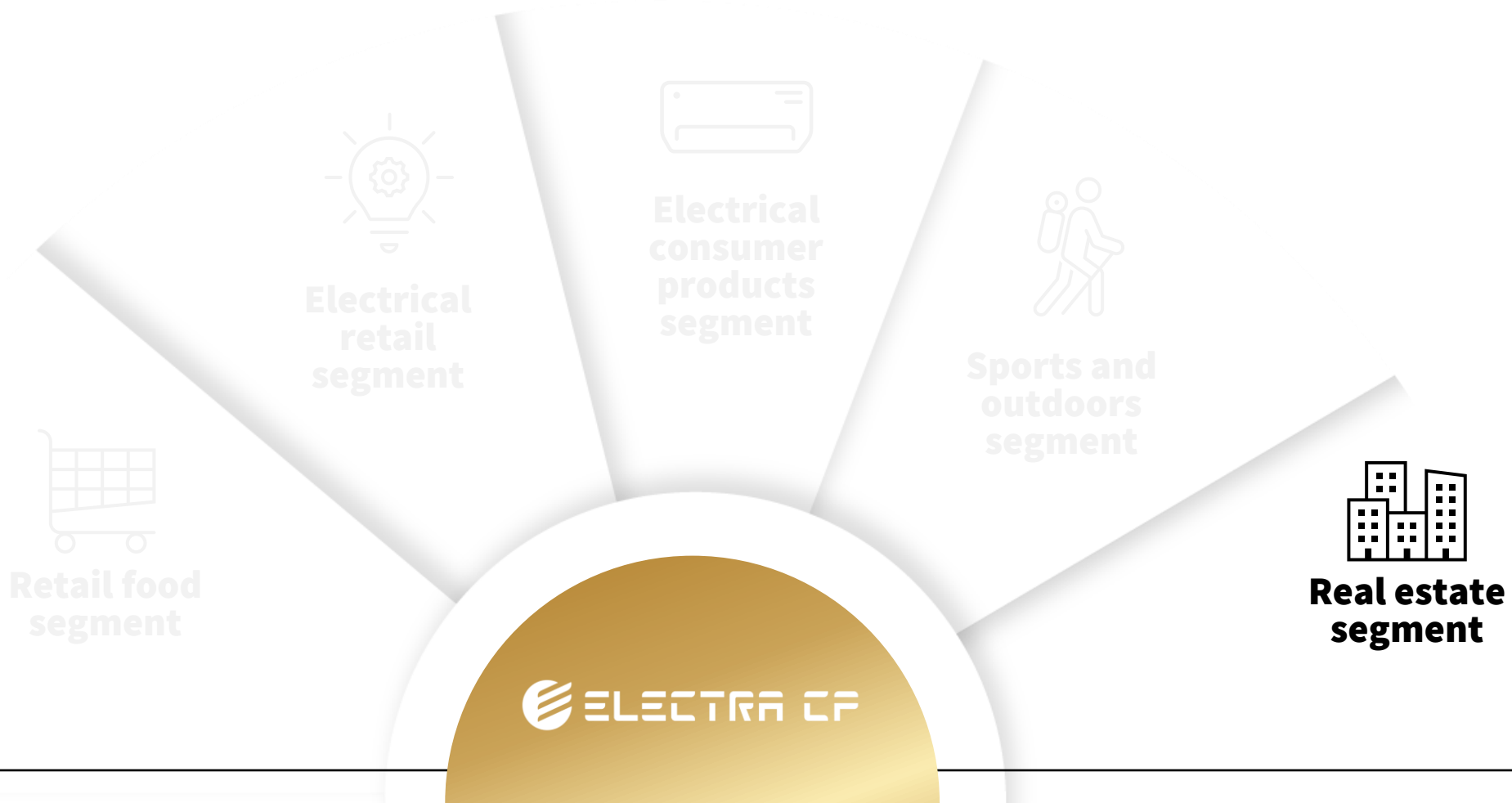
Segmental income, M NIS



Slight erosion in the profitability rate as a result of the absorption of Adidas stores, which are expected to increase the profit margin.

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Ayalon North Complex Land Unit in Rishon Letziyon

The Company, in collaboration with the Reality Fund (50%-50%)

Owners of more than 60 hectares in the reviving “Rishon Ayalon” industrial zone

The companies are promoting planning with an overall outlook for the industrial complex that is slated for the new development zone

The goal of the design is to promote a plan for mixed use that will serve the City’s young population and create a vision for the entire region

There are currently rights to approximately 205 metres for commerce and employment

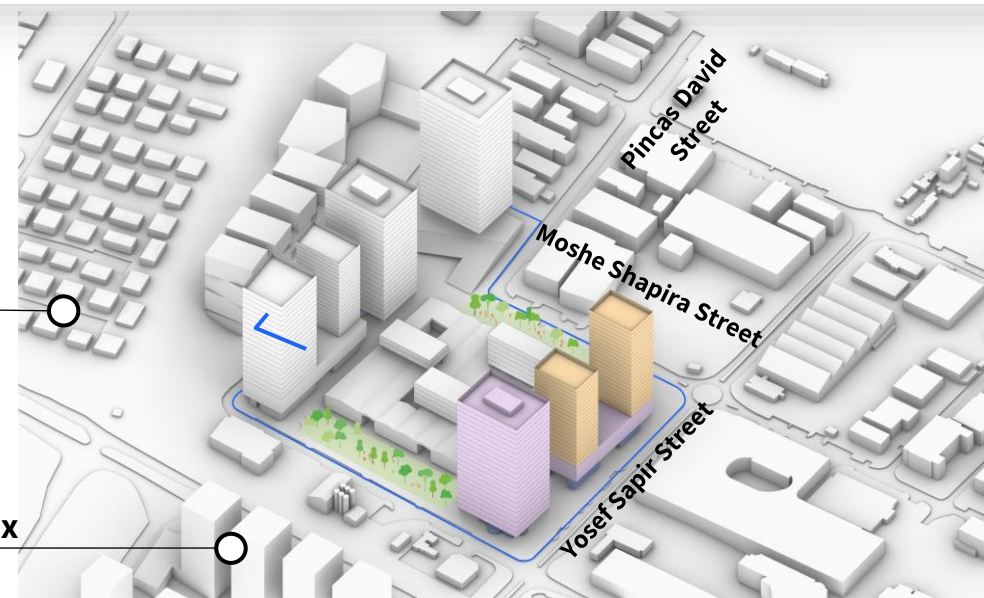
The Company and Reality are advancing an UMP modification and the increase in rights to approximately 285,000 metres for residences, commerce, and employment (mixed-use)

The asset is presented in the Company's statements (with consideration from Reality that has not yet been paid) in the sum of approximately NIS 335 million, and its value is expected to grow significantly after approval of the new UMP

- Commercial space
- Residential space
- Office space

Residential neighborhood

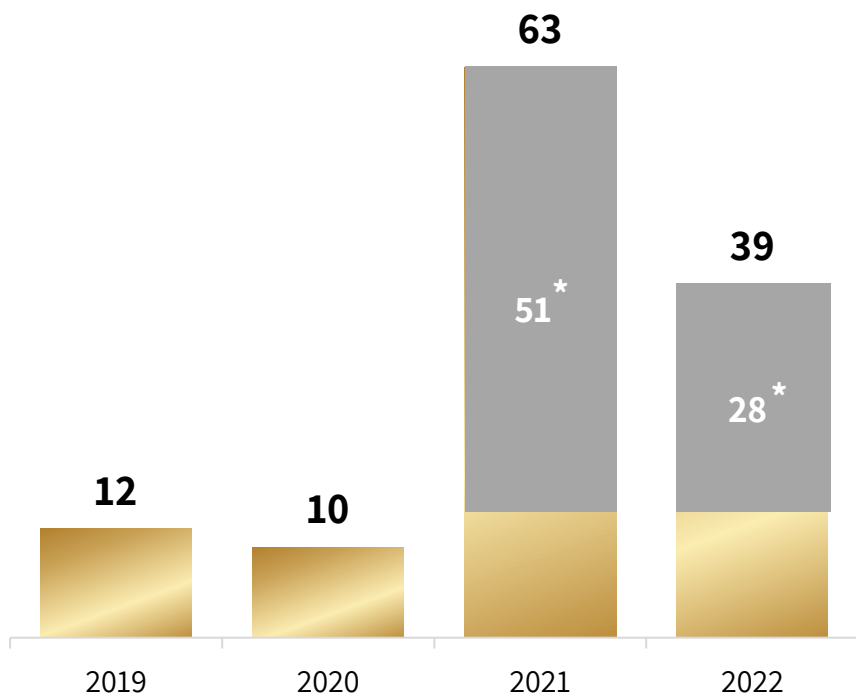
The 1,000 Complex



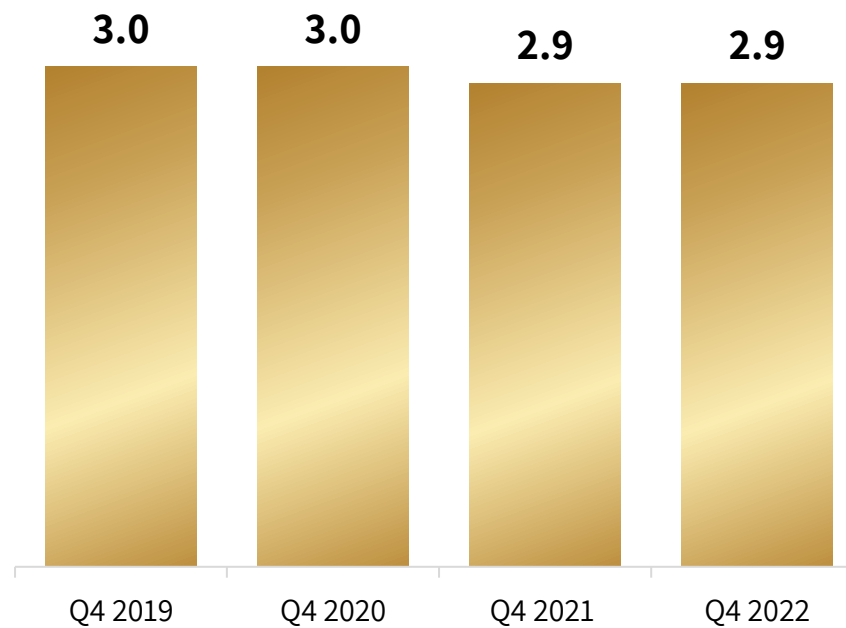
Investment Property Segment

Q4/2022

Segmental income (NIS M), 2022



Segmental income (NIS M), Q4



* Income from improvement of investment property



 ELECTRA CP

THANK YOU!

