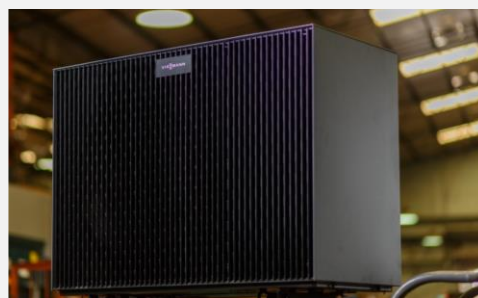




# Electra Consumer Products

One of Israel's  
foremost consumer  
products groups

Investor Presentation | Q1-2023



# Legal Disclaimer and Forward-Facing Information

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The information in this presentation and any other information provided during the course of this presentation (the “**information**”) does not constitute a basis for making investment decisions and is not a recommendation or an opinion by an investment advisor or tax advisor nor a substitute for a potential investor’s judgment. The information included in this presentation is a summary only and as such may differ from how it is presented in the Company’s reports, but it can be calculated from the data included in said reports.

Investing in securities, in general, and in the Company’s securities, in particular, involves risk. Take into account that past performance is not necessarily indicative of future results. The purchase of the Company’s securities calls for an in-depth review of the information published in the Company’s reports as well as an analysis of legal, accounting, economic, and tax factors.

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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 the Company’s operations, including the Company’s expected sales turnover, EBITDA forecasts for the food segment and the launch of Carrefour products, expected sales for the electrical consumer products segment in 2023, and revenues from Adidas stores that will be operated by the Company (slides 4, 9, 11, and 15).

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 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.



# Significant Events During and After Q1



Carrefour  
— Israel —



bit Cal.



ELECTRA

The launch of the **Carrefour** chain in Israel

50 stores launched  
in one day!

Israel Competition  
Authority approval to  
establish a **customer  
loyalty club  
credit card** with Bank  
Hapoalim (Bit) and Cal

Launch of the  
**7-Eleven** chain  
of convenience  
stores in Israel

Expanded  
agreement with  
**Adidas**

Launch of new and  
more advanced lines  
of **Electra inverter air  
conditioners**

# Electra Consumer Products Group

Strong and diverse value proposition of brands and leading chains in all fields

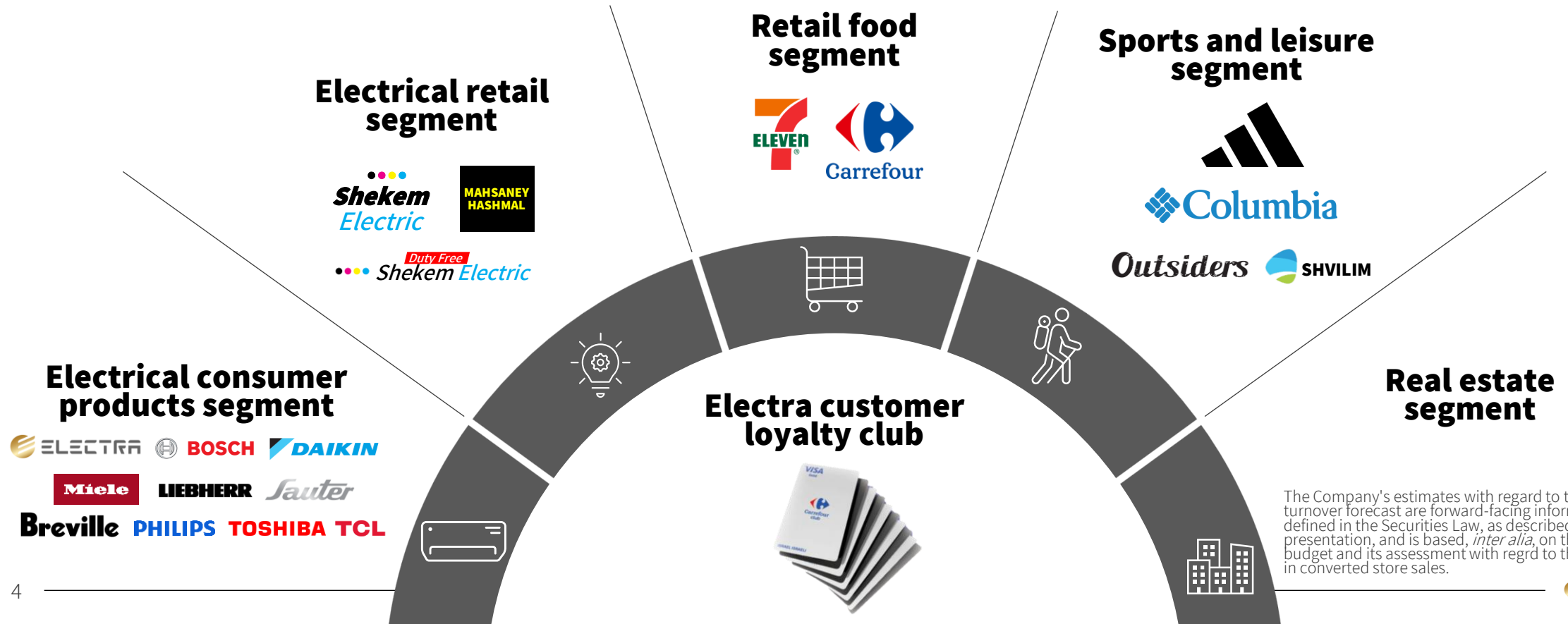
**7** Billion NIS  
expected turnover in 2024

**60** Million NIS  
transactions per year

**243k** m<sup>2</sup>  
sales floor

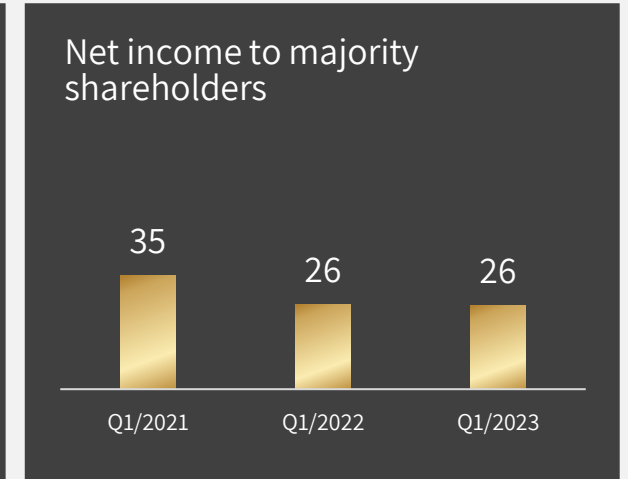
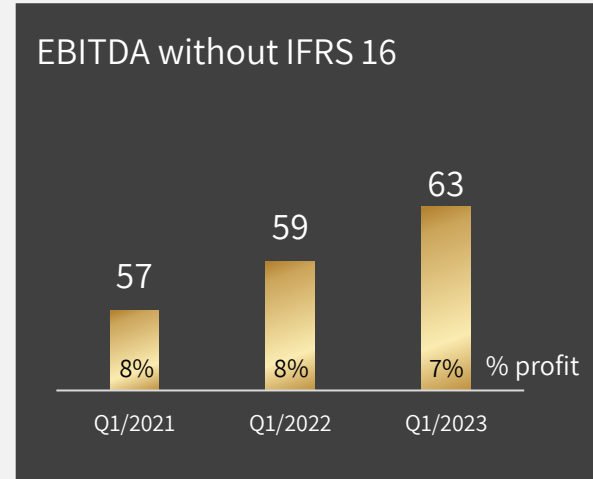
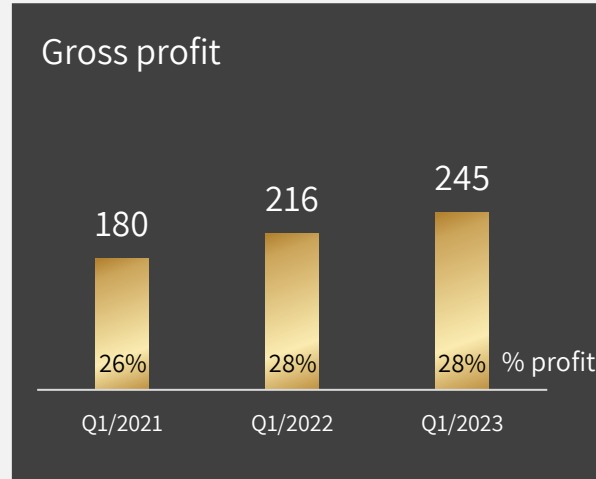
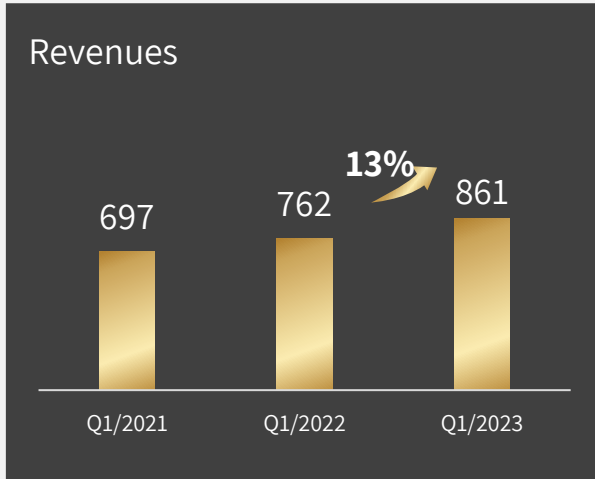
**>300**  
stores

**8**  
Leading e-commerce websites

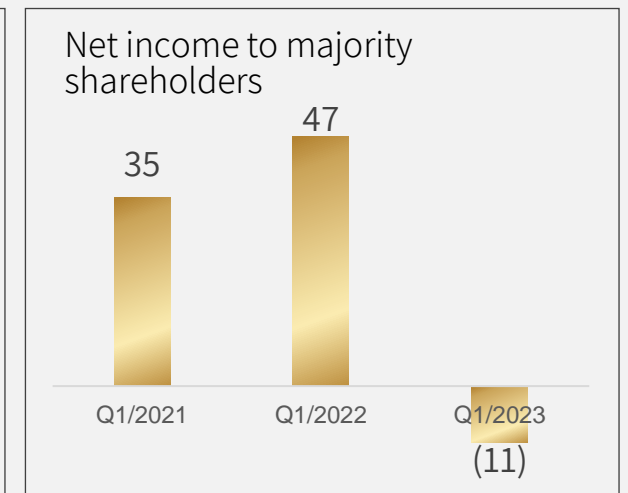
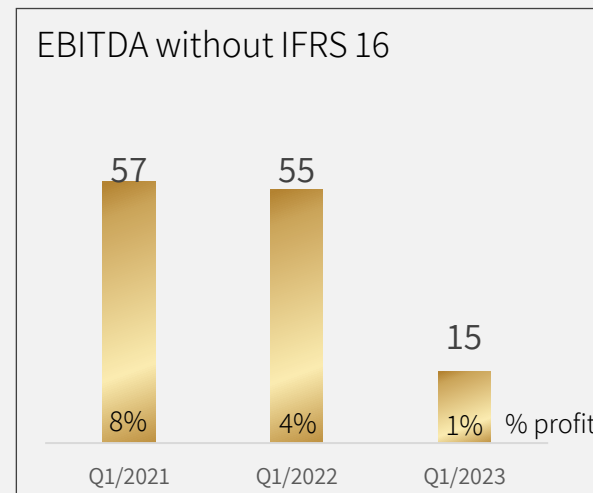
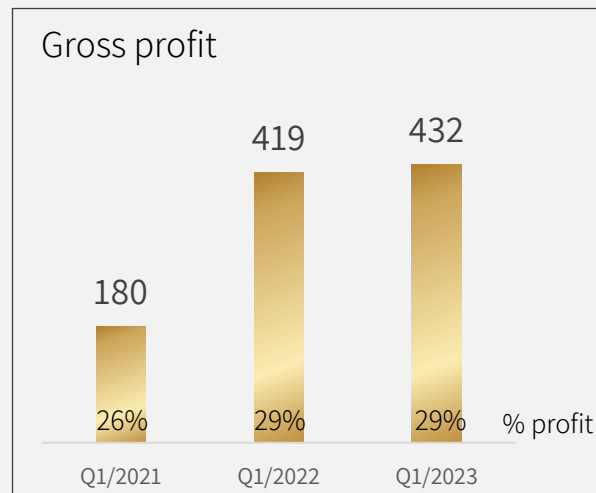
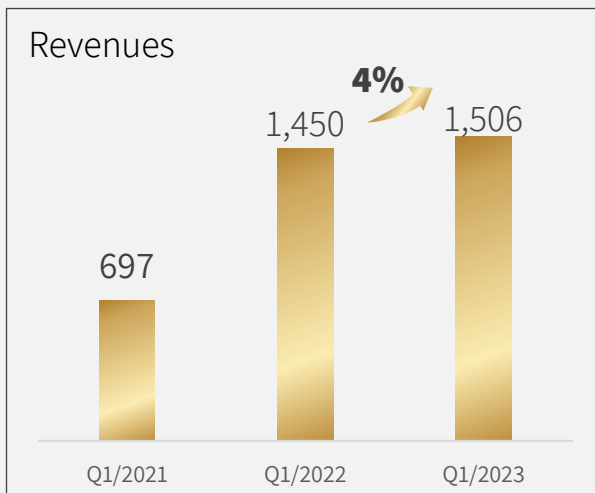


# Results of the Group's operations Q1 2023 in NIS millions

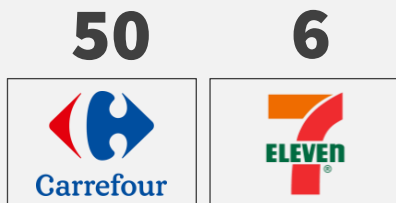
Net of the food segment and without revaluation of investment property



With the food segment and with revaluation of investment property



# Food segment - we have launched 56 new stores that as of Q3 - will be fully operational



**Retail food**

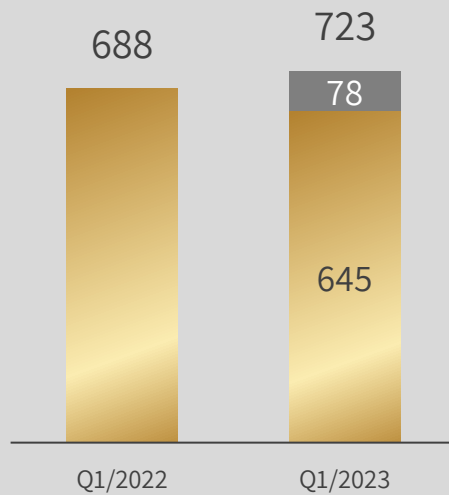
Electrical consumer products

Electrical retail

Sports and leisure

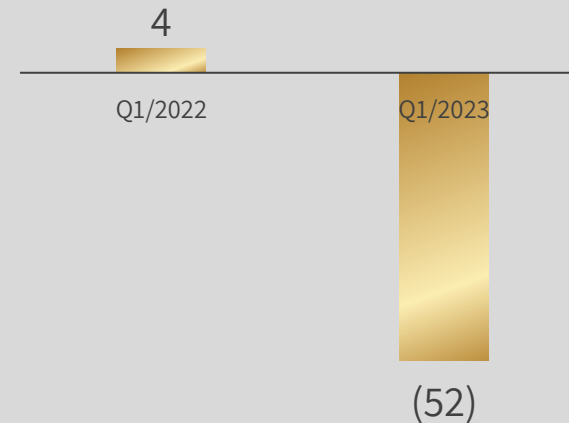
Real-estate

Sales NIS m



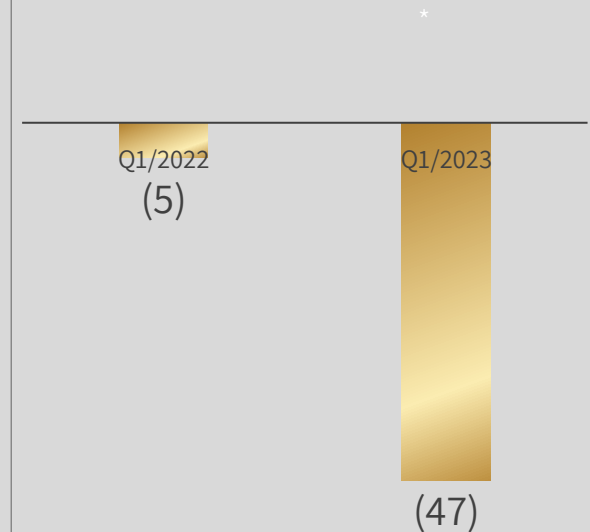
\* Management assessments regarding sales lost because of stores being closed for renovation

Segmental profit (loss) NIS m



\*\* The change in loss primarily derives from the closing of stores and accelerated depreciation of renovated stores

EBITDA net of IFRS16 NIS m





# Successful launch of Carrefour Israel

**13**  
months

From signing to launch

**42**  
stores

Were renovated in Q1

**50**  
stores

Were launched in one day!

**84%**  
increased sales

In 50 Carrefour stores from the launch date until 27.5.23

**1,000**  
Carrefour products

in stores

**200**  
Additional Carrefour products

will be launched in Q2

**14%**  
Carrefour products

from the Carrefour shopping basket

Forecast Update

**100 million NIS**

EBITDA after neutralising IFRS 16 for a period of 12 months as of April 2023



## יוצאת לדרך: 50 סניפים קרפור ייפתחו בשבוע הבא ברחבי הארץ

כשנה לאחר חתימת ההסכם עם אלקטרה צריכה, הרשת פרסמה את המיקומים של 50 הסניפים הראשונים שייפתחו בשבוע הבא. מנכ"ל קרפור: "נביא מחירים שוברי שוק ונפתח עוד 50 סניפים עד סוף השנה"

18:18 | 03.05.23 | נויית זומר

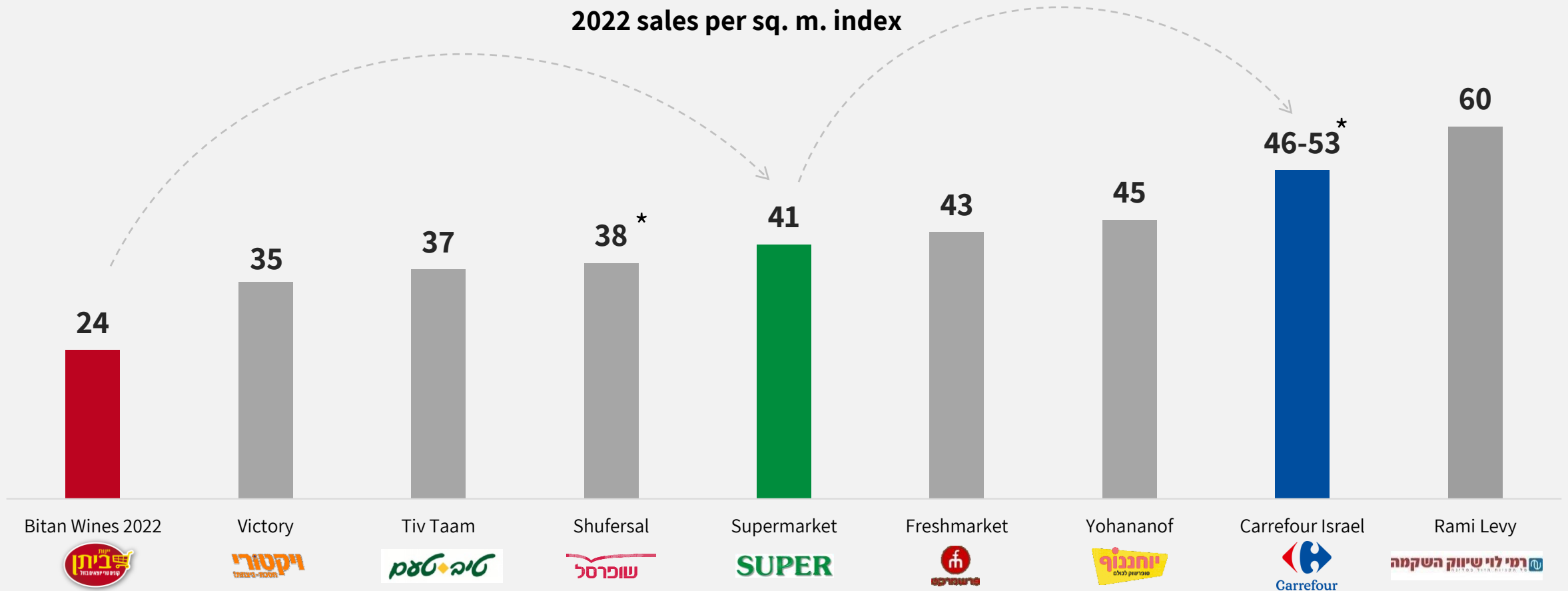
## השקת קרפור בישראל: 50 סניפים חדשים בבת אחת, ואיך ישפיעו חסמי היבוא על המחירים

ביום שלישי הקרוב יושקו ברחבי הארץ 50 סניפים של ענקית המזון הבינלאומית קרפור. האם היא עומדת לחולל מהפכת מחירים, ניצוד היא תתמודד עם חסמי היבוא, וממה צריכה המתחרה לחשוש? • 3 נקודות לקראת ההשקה הגדולה ביותר בענף קמעונאות המזון בשנים האחרונות



# The conversion and renovation of stores have proven themselves and create 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. Furthermore, the data about Carrefour Israel is based on a range of sales as of the launch of these stores on 09.05.23 until 27.05.23



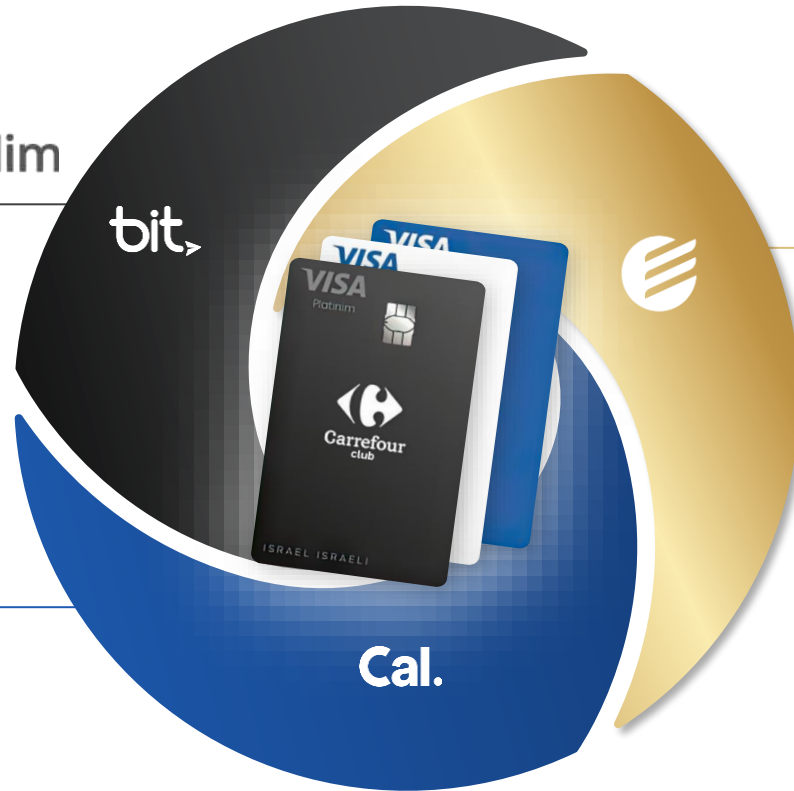
# For the first time in Israel, a customer loyalty club that includes FMCG, consumer electronics, fashion, sports and leisure that will increase buying loyalty, shopping baskets, and frequency



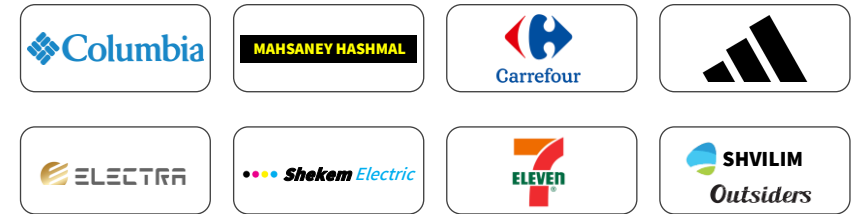
The most popular digital payment platform in Israel with 3.5 million customers



Credit card operation and financing



All leading brands under one loyalty program  
Accrue and use points at any of our chains:



**Launch H2**  
2023



Israel Competition Authority approval to establish a customer loyalty club credit card

**30** million NIS safety net for each of the first two years

**250K** credit card holders in 2025

# Growth in air conditioner sales and doubling the exports of heating systems



Retail food

**Electrical consumer products**

Electrical retail

Sports and leisure

Real-estate

**+2%**

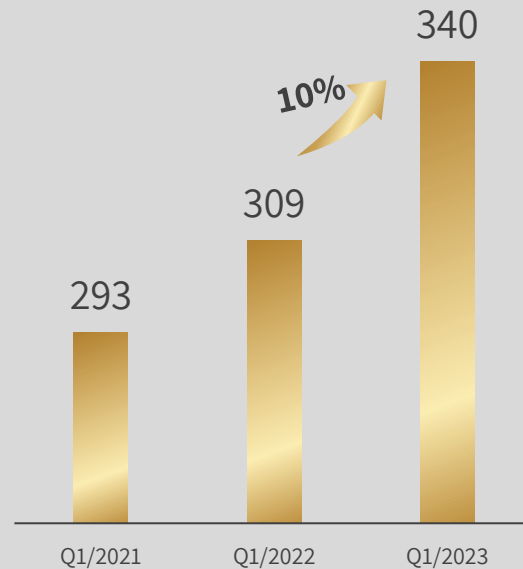
Growth in sales of air conditioners in the local market

**60%**

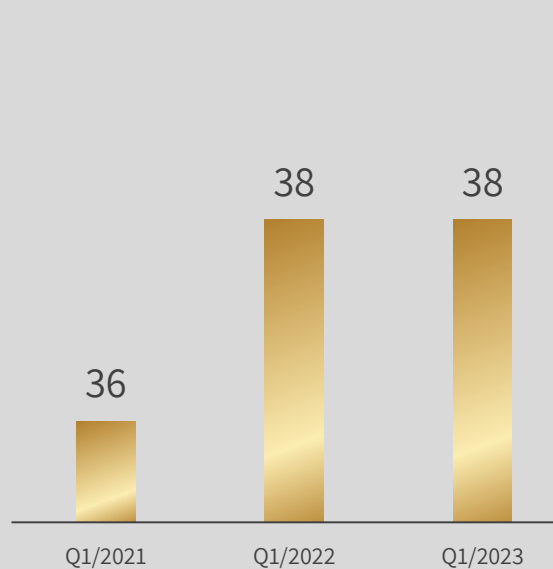
of factory operating revenues are directed at exports twice as much as in Q1 2022 (32%)

**Launch of an inverter air conditioner line**

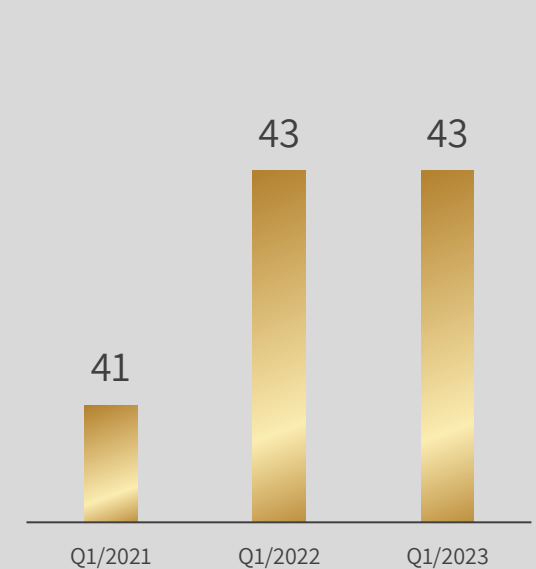
Sales development\* - NIS m



Development of segmental income\* - NIS m



EBITDA\* NIS m



\* Not including solar energy operations that are in the process of merging with Rav Bariach (see, Note 4A to the financial statements), and not including AirWell operations, which were sold in 2021

# Annual Sales Development (53% growth over 5 years)



Retail food

**Electrical  
consumer  
products**

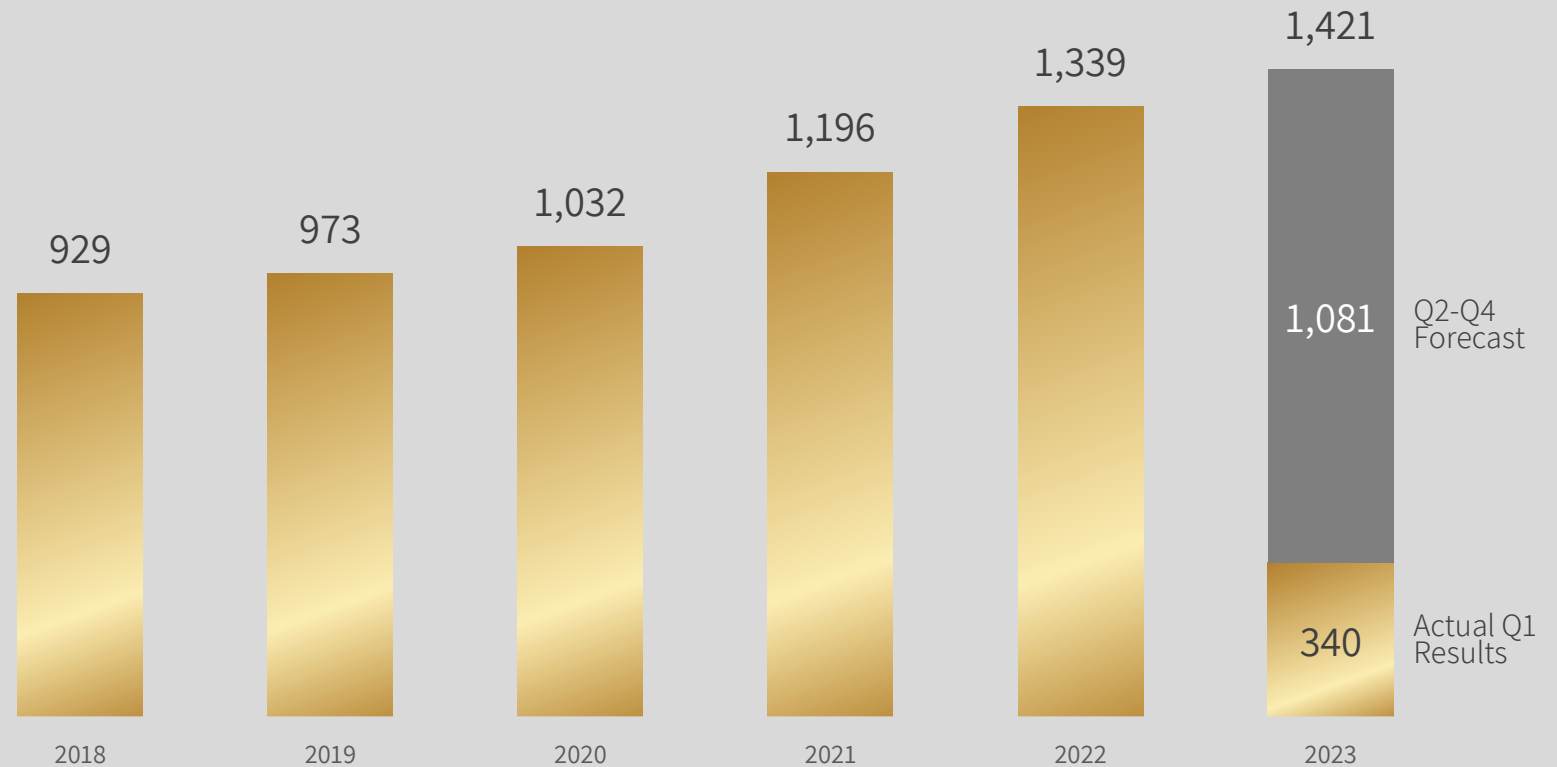
Electrical  
retail

Sports  
and  
leisure

Real-  
estate

## Segmental sales development - M NIS

After neutralising solar energy operations that are in the process of merging with Rav Bariach and AirWell operations, which were sold in 2021



# Development in sales and segmental revenues during Q1, over the course of 5 years



Retail food

**Electrical consumer products**

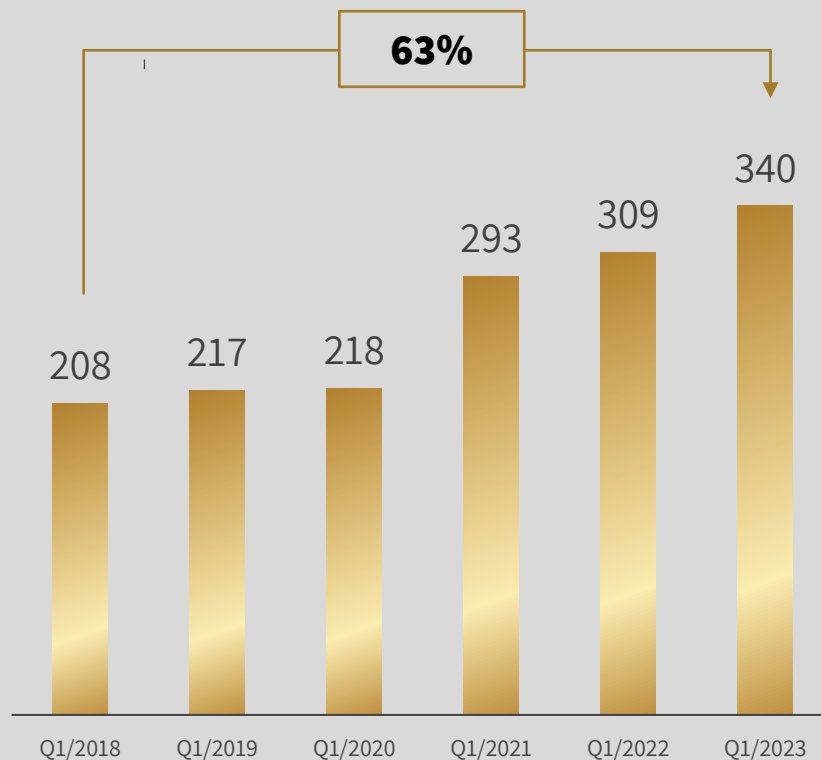
Electrical retail

Sports and leisure

Real-estate

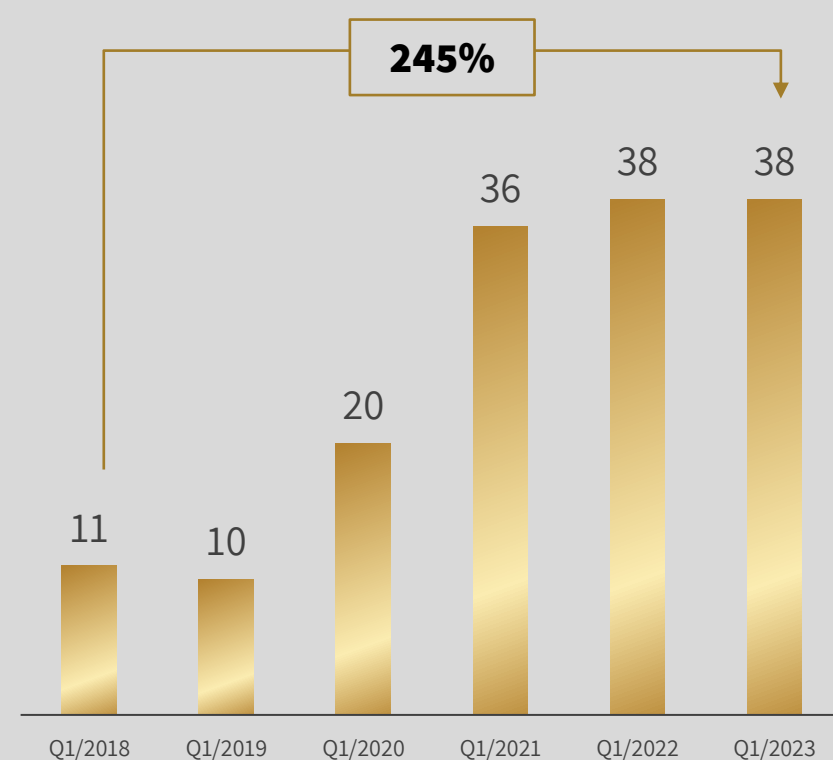
Revenue development (in Millions NIS)

After neutralising solar energy operations that are in the process of merging with Rav Bariach and AirWell operations, which were sold in 2021



Segmental income development (in Millions NIS)

After neutralising solar energy operations that are in the process of merging with Rav Bariach and AirWell operations, which were sold in 2021



# Continued growth in sales and strengthening of the Electra brand

●●● Shekem Electric MAHSANEY HASHMAL Duty Free ●●● Shekem Electric



Retail food

Electrical consumer products

**Electrical retail**

Sports and leisure

Real-estate

**+11%**

increased same store sales including duty free 3% January-April

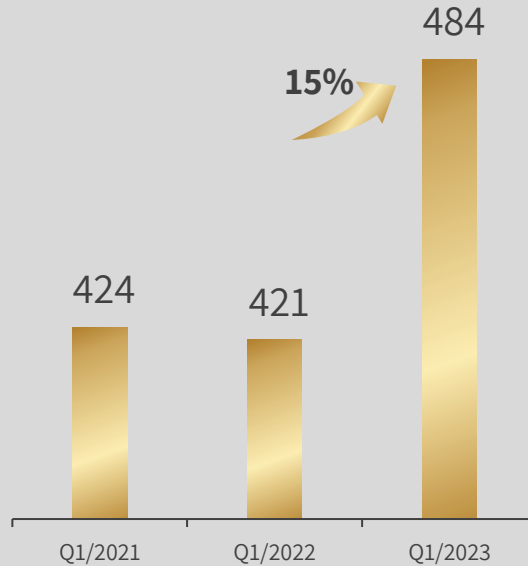
**+4%**

growth in online sales

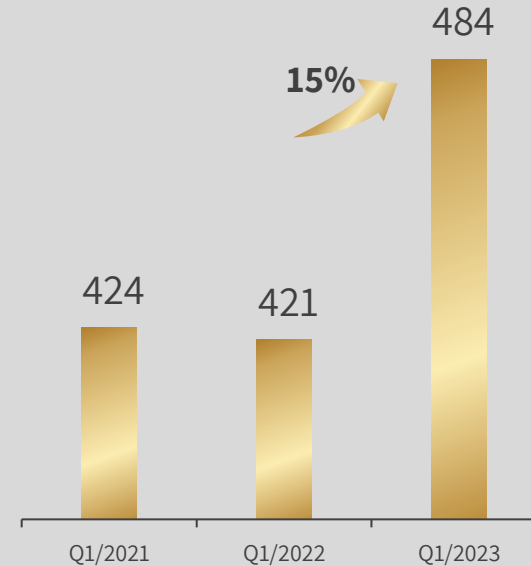
**+32%**

in Electra brand sales

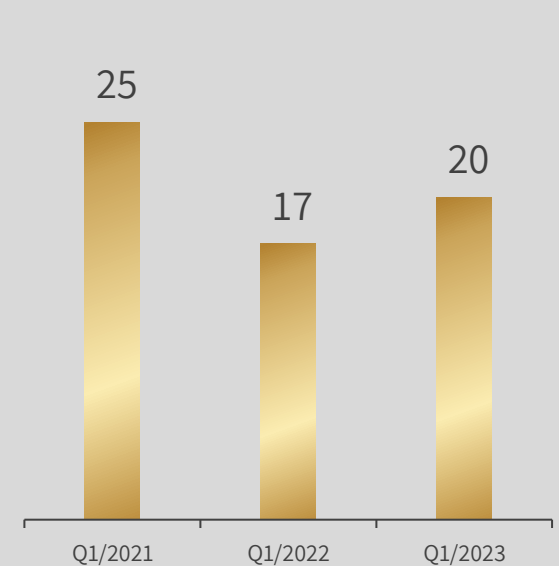
Sales development - NIS M



Sales development - NIS M



EBITDA NIS m



# Increase of approx. 30% in sales and expanded brand portfolio



Retail food

Electrical consumer products

Electrical retail

**Sports and leisure**

Real-estate

**11 M NIS**

sales of Adidas during the current quarter

**6**

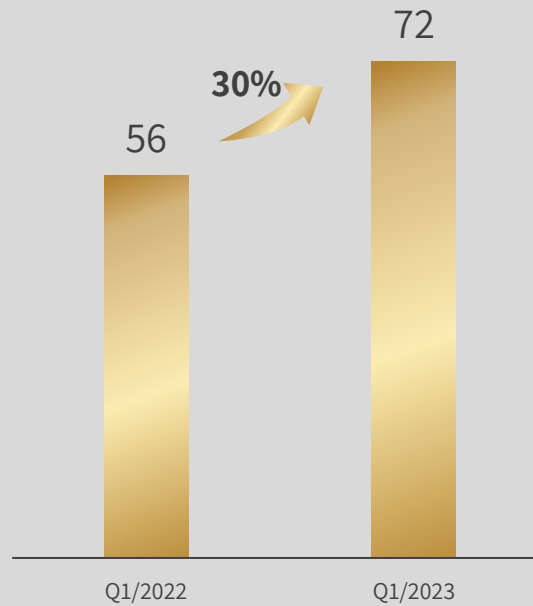
stores expected to open in 2023

**SHVILIM** *Outsiders* **Columbia**

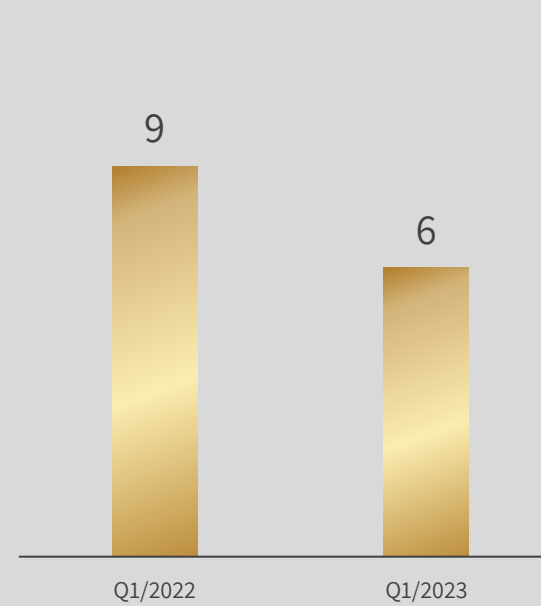


Executed a memorandum of understanding to acquire leading surfing brands

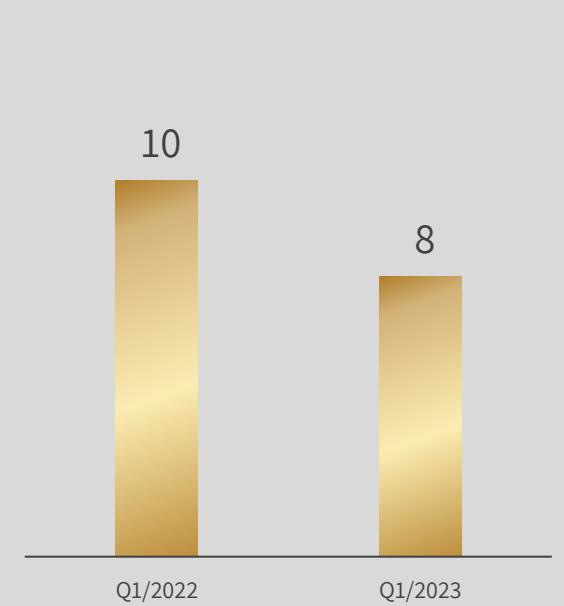
Sales development - NIS M



Sales development - NIS M



EBITDA NIS m



# We continue to expand with Adidas, the second largest sports and fashion brand in the world

## Adidas - ID Card

**1949**

year established



**€ 22.5** billion

2022 sales

**€ 29** billion

market value (as at May 2023)

**2,000**

brand stores

## Electra is expanding its retail operations with Adidas in Israel - exiting a memorandum of understanding

**18** ➤ **46**

The transfer of 28 more stores from the chain to Electra (October 2023)

**23**  
concept stores

**4**  
Outlet stores

**1**  
Flagship store – Big Giliot  
800 m<sup>2</sup> (future store)

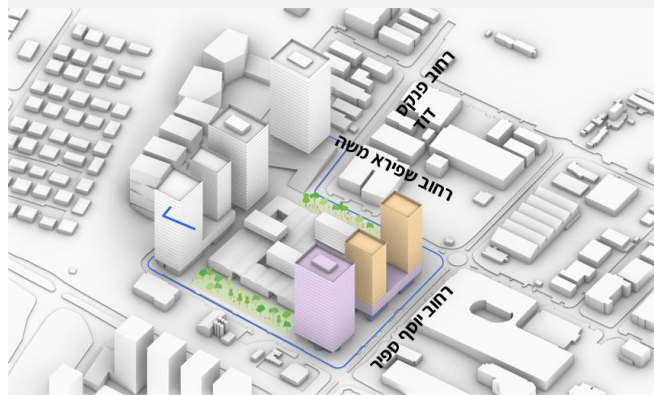
Right of first refusal to open additional stores

**250** million NIS  
expected turnover for the Adidas chain in 2024



Source: Publicly available Adidas materials

# Ayalon North Complex Land Unit in Rishon Letziyon



Retail food

Electrical consumer products

Electrical retail

Sports and leisure

**Real-estate**

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

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

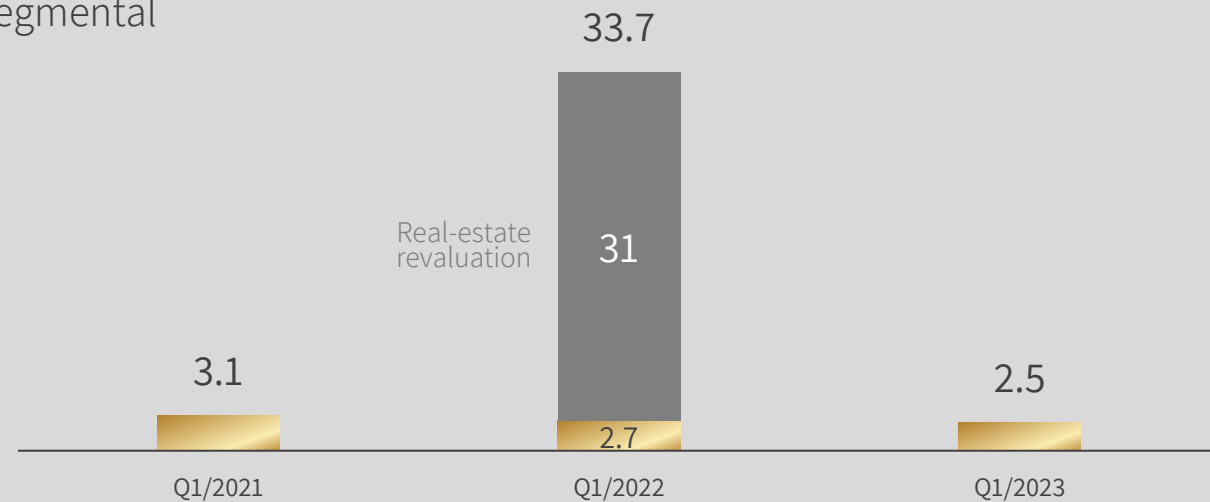
The companies are promoting planning with an overall outlook for the industrial complex that is slated for the new development zone.

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).

Development of segmental income – M NIS





 ELECTRA CP

# Thank You!

