



Financial Statements as of 30 September 2024

Electra Consumer Products (1970) Ltd

Electra Consumer Products (1970) Ltd.

Legal Disclaimer

The attached is a convenience translation of the Board of Directors report on the state of the corporation's affairs, the consolidated statement of financial position, the consolidated statements of profit and loss ("P&L"), the consolidated statements of comprehensive income, the consolidated statements of changes in equity, and the consolidated statements of cash flows as of 30 September 2024 for Electra Consumer Products (1970) Ltd. (the "Company") published by the Company through the MAGNA filing system (the "Hebrew Version").

This English version is partial and for convenience purposes only. This is not an official translation and has no binding effect. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.

Electra Numbers



5.5 B ₪

Revenues in the reporting period



501 M ₪

EBITDA in the reporting period



1.03 B ₪

Total company equity



1 B ₪

Financial debt (net of IFRS 16)



7 K

Number of employees



iLAA-

S&P Rating



332

Branches



8.1 B

Total company balance sheet



135 K

Credit card Carrefour Club holders



60 M

Yearly transactions rate

Sports and Leisure Segment



98

Number of branches



16 branches

24 branches

38 branches



4 branches

3 branches

13 branches

Retail Food Segment



149

Number of branches



13 branches

26 branches

110 branches



171 K sq.m

Commercial space

Electrical Retail Segment



85

Number of branches



2 branches

20 branches

63 branches



50 K sq.m

Commercial space



29 K sq.m

Commercial space



9%

Percent change in same stores in the reporting period (Including Carrefour converted stores)



29%

Percent change in same stores in the reporting period (Excluding DUTY-FREE stores)



19%

Percent change in same stores in the reporting period



21%

Percent change in the reporting period (Carrefour converted stores)

Electra Consumer Products (1970) Ltd.

Board of Directors Report

For the Nine Months Ended at 30 September 2024

The board of directors of Electra Consumer Products (1970) Ltd. respectfully submits the Board of Directors Report on the business affairs of the Company and its consolidated companies (hereinafter: the "Group") for the nine-month and three-month periods ended at 30 September 2024 (hereinafter: the "reporting period"). The review, which is presented below, is of a limited scope and relates to events and changes that occurred in the Company's affairs during the reporting period, and it should be reviewed together with the periodic report for the year ended on 31 December 2023.

1. General

1.1 Description of the Group's business

The Group operates in five fields, which are also reported as operating segments in its financial statements, as set forth below:

Electrical consumer products segment – import, export, marketing, sale, and distribution of electrical consumer products and rendering service for these products.

Electrical retail segment– operation of retail chains for the sale of electrical consumer products and cellular telephones and accessories through "Mahsanei Hashmal," "Shekem Electric," and "Shekem Duty."

Retail food segment - Operation of the Global Retail C.I. Ltd. chain, a retail marketing chain for food products and other consumables, that operates under Carrefour brands.

Sports and leisure segment - operation of chains for the marketing, import, manufacture, and distribution of equipment and clothing and footwear for travellers, camping, skiing, and snowboarding, outdoor sports, as well as the operation of a franchise chain under the Adidas brand (hereinafter: "**Adidas**").

Investment real estate segment – development and construction of investment property.

1.2 Description of the Company's business environment and trends

1.2.1 The Board of Directors' explanations of the state of the corporation's affairs:

In the first nine months and in the third quarter of 2024, there was an increase in the Group's revenues, amounting to the sum of NIS 5,499 million and NIS 1,979 million, compared to the sum of NIS 4,786 million and NIS 1,808 million, respectively, **an increase of 14.9% and 9.4% compared to the corresponding periods last year, respectively.**

The operating income before other income, net, and reorganisation income for the first nine months and the third quarter of 2024 amounted to NIS 220 million and NIS 91 million, respectively, compared to NIS 57 million and NIS 71 million in the corresponding periods last year, respectively. **This is an increase of 284% and 27% compared to the corresponding periods last year, respectively.**

Net earnings from continuing operations in the first nine months and in the third quarter of 2024 came to NIS 36 million and NIS 33 million, respectively, compared to a loss in the sum of NIS 82 million and a profit of NIS 5 million, respectively, during the corresponding periods of the previous year. **In the third quarter of 2024, the food segment reported, for the first time, a net profit from continuing operations of NIS 0.8 million.**

Net income for the majority shareholders in the first nine months and in the third quarter of 2024 came to NIS 49 million and NIS 30 million, respectively, compared to a loss in the sum of NIS 22 million and a profit of NIS 10 million, respectively, during the corresponding periods of the previous year.

The improvement in the Group's revenue and profitability across all its operating segments. For additional details, see Section 4 regarding the report on business segments.

1.2.2 Summary of financial results with and without the impact of the food segment during the reporting period

The following is a concise summary of the Company's financial results for the first half of the year with and without the food segment as well as the financial results for the food segment:

	Consolidated		Consolidated <u>without</u> the retail food segment	
	For the nine months ended 30 September			
	NIS Thousands			
	2024	2023 *)	2024	2023 *)
Sales	5,498,773	4,785,590	3,006,420	2,592,012
Operating income <u>before</u> other expenses, net, and reorganisation revenues	219,555	57,202	152,826	128,976
EBITDA	501,357	315,651	258,904	219,591
Income (loss) before tax	60,609	(74,666)	106,827	79,136
Net income (loss) from continuing operations	36,461	(82,276)	82,654	65,545
Loss from discontinued operations	(15,891)	(48,358)	-	-
Net income (loss)	20,570	(130,634)	82,654	65,545
Net income (loss) attributed to Company shareholders	48,978	(22,014)	83,551	65,093
	Consolidated		Consolidated <u>without</u> the retail food segment	
	For the three months ended 30 September			
	NIS Thousands			
	2024	2023 *)	2024	2023 *)
Sales	1,978,511	1,807,741	1,088,081	977,230
Operating income before other expenses, net, and reorganisation revenues	91,010	71,397	52,822	56,047
EBITDA	186,045	160,275	89,259	87,031
Pretax earnings	42,458	14,807	41,541	37,692
Net income from continuing operations	33,262	5,344	32,445	28,247
Loss from discontinued operations	(6,134)	(21,285)	-	-
Net income (loss)	27,128	(15,941)	32,445	28,247
Net income attributed to Company shareholders	30,296	9,868	35,878	28,815

(*) Reclassified with respect to discontinued operations; see Note 5 to the interim consolidated financial statements.

	Retail food segment		Electrical consumer products	
	For the nine months ended 30 September		For the three months ended 30 September	
	NIS Thousands		NIS Thousands	
	2024	2023 *)	2024	2023 *)
Sales	2,492,353	2,193,578	890,430	830,511
Operating income (loss) before other income, net, and reorganisation expenses	66,729	(71,774)	38,188	15,350
EBITDA	242,453	96,060	96,786	73,244
Income (loss) before tax	(46,218)	(153,802)	917	(22,885)
Profit (loss) from continuing operations	(46,193)	(147,821)	817	(22,903)

Reclassified with respect to discontinued operations; see Note 5 to the interim (*) consolidated financial statements.

For additional details in connection with the food segment results, see Section 4.5.2 to this Board of Directors Report.

1.2.3 The Iron Swords War

During the first nine months of 2024, there was no significant change in the impact of the Iron Swords War on the Company's operating segments, as mentioned in Note 1E of the consolidated annual financial statements, except for the implications of the Turkish government's announcement on export restrictions to Israel in several categories, including the import of electrical consumer products. According to the Company's assessment, this is not expected to have a material impact on the Company's operations.

The Company's assessments regarding the impact of the Iron Swords War on the Company and on its operating segments, including the implications of the Turkish government's announcement, constitute "forward-looking information," as defined in the Securities Law, 1968. These assessments are based, *inter alia*, on the information available to the Company as of the reporting date, the Company's estimates considering past experience and the knowledge it has accumulated, as well as various assessments regarding the state of the markets in which the Company operates and the impact of external factors beyond the Company's control. The Company's assessments or their scope may not materialise, or may materialise differently, in whole or in part, and even substantially so, from what is forecast as a result of a number of factors that are outside the Company's control and/or are known to it on the reporting date and/or the Company's business environment and/or as a result of the materialisation of all or part of the risk factors as described in Section 25 of Part A of the Company's 2023 periodic report.

1.2.4 Effects of Inflation and Increased Interest Rates on Financial Disclosure and Reporting¹

Over the last several years, inflation rates in Israel have been low and almost throughout these years, have maintained a range of up to 1%. As of 2021, there has been an increase in inflation rates in Israel and around the world, with the consumer price index in Israel increasing by 2.8%. In 2022, it increased by 5.3%. In 2023, the CPI rose by 3%. In the first quarter of 2024, the CPI rose by 1%, and in the second quarter of 2024, the CPI rose by 1.1% and in the third quarter of 2024, the CPI increased by 1.3%. The forecast of the Bank of Israel's research arm is based on the assumption that the direct economic impact of the war will continue to be significant through the start of 2025. This assumption reflects a higher intensity level of combat at the end of 2024 and the beginning of 2025 compared to the position underlying the forecast from July. In particular, the high intensity characterising the recent period is expected to continue in the near term, with broader disruption of economic activity on the home front, primarily in the north of the country. Naturally, the Bank of Israel's forecast is characterised by an especially high level of uncertainty, *inter alia*, regarding the duration and nature of the war in Gaza, the possibility of an escalation on the northern front. The rate of inflation during the next four fiscal quarters (ending in the third quarter of 2025) is expected to come to 3.2%. The overall inflation rate for 2024 is expected to be 3.8%, while during 2025 it is expected to be 2.8%. As part of its attempt to slow down the inflation rate in Israel, the Bank of Israel has begun to raise interest starting in April 2022, in a number of increments, from the negligible rate that had prevailed for many years, to its current level of 4.5%, and according to the Bank of Israel forecast, Israel's monetary interest rate is expected to come to 4.5% on average during the third quarter of 2025.

The Company has long-term liabilities to banks and other corporations in the sum of NIS 709 million, which are linked to the prime rate (of which, NIS 438 million is attributed to Global Retail Group), and short-term liabilities to banks in the sum of NIS 338 million, which are linked to the prime rate, for which the Company does not maintain cash balances or deposits. Conversely, the Company has short-term variable interest deposits and thus, in light of the expected increase in bank interest, each 1% increase is expected to increase the Group's net interest expenses by NIS 7.5 million annually both in terms of the effect on the Company's results as well as in terms of the effect on the Company's cash flows. Additionally, the Company pays property owners rent for its branches and offices that is for the most part linked to the consumer price index. Every additional 1% increase in the consumer price index is expected to increase rental costs by NIS 4 million annually both in terms of the effect on the Company's results as well as in terms of the effect on the Company's cash flows.

With that, the Group's financial stability, together with its cash balances and the high current cash flow that it generates, will allow it to continue financing its operations and meeting its obligations.

The Company's assessments - regarding the possible implications of the increase in the prime interest rate and the increase in the consumer price index on its operations and business - are forward-looking information, as the

¹ See, Bank of Israel website – press release from 28 August 2024:
<https://www.boi.org.il/publications/pressreleases/28-8-2024>

term is defined in the Securities Law, and are based, *inter alia*, on Company management's experience in the market (including in situations of economic crisis). The Company's assessments or their scope may not materialise, or may materialise differently, in whole or in part, and even substantially so, from what is forecast as a result of a number of factors that are outside the Company's control and/or are known to it on the reporting date and/or the Company's business environment and/or as a result of the materialisation of all or part of the risk factors as described in Section 25 of Part A of the Company's 2023 periodic report.

1.3 Principal events during the reporting period and thereafter

1.3.1 Matters relating to the Global Retail C.I. Ltd. Group

After reaching an agreement with two banks regarding the warrants allocated to them, which are exercisable into shares of Global Retail, the cancellation of the warrants, the payment of the first portion of the consideration to the banks, and the investor's investment of NIS 80 million at the beginning of March 2024, the Global Retail shares investment transaction was completed. The investor now holds 16% of the share capital of Global Retail, while the Company holds 48%. As a result of the investor transaction mentioned above, the investments by existing shareholders in Global Retail (including the Company) as part of the investor transaction and the completion of agreements with the two banks mentioned, a total of NIS 180 million was injected into Global Retail, and its equity increased by NIS 247 million.

During April 2024, Electra Retail Ltd, a wholly owned subsidiary of the Company, purchased 4,000 shares of Global Retail from Mr. Michael Loboschitz, Chief Financial Officer of Global Retail. Following the purchase, the Company holds 49.38% of the shares of Global Retail. Additionally, on 11 April 2024, Global Retail allocated 4,000 options to the aforementioned CFO under the Global Retail options plan.

For details regarding other matters related to Global Retail, see Notes 4(a) and 10(a)-(b) to the consolidated interim financial statements.

1.3.2 On 21 January 2024, the Company made a private offering of NIS 199.431 million par value of the Company's (Series A) bonds by way of an expansion of a registered series for total gross proceeds of NIS 179.9 million and an effective interest rate of 5.38%.

The credit rating agency, Maalot, set a rating of iIAA- for the expansion of the Company's bond series (Series A).

1.3.3 Electra Convenience Stores Ltd. (a wholly-owned subsidiary of the Company) (the "**second-tier subsidiary**"), which holds a franchise agreement to operate a chain of stores under the 7-ELEVEN brand in Israel (the "**operations**").

On 16 May 2024, the second-tier subsidiary and Saban Express Ltd. (the "**buyer**") executed an agreement under which the second-tier subsidiary will sell and transfer to the buyer all of its rights and liabilities in the leased properties (7 stores) where it operates the chain's stores, based on lease agreements, including the equipment and inventory therein (the "**assets**"). Consequently, the second-tier subsidiary will cease operating the 7-Eleven chain in Israel. The transferred branches will operate in the buyer's trade name. In consideration for the purchase of the assets, the buyer

will pay the seller a total of NIS 3 million. The transaction was closed during the reporting period.

Beginning from the second quarter of 2024, the Company presents the 7-Eleven operation as discontinued operations. After closing the above transaction, the second-tier subsidiary will continue to hold a franchise to operate a chain of stores under the 7-Eleven brand in Israel for three years, and will be able, subject to 7-Eleven's consent, to recommence operation of the chain or, alternatively, to sell the franchise agreement.

- 1.3.4** On 12 August 2024, Standard & Poor's Maalot reconfirmed the Company's rating (iIAA-), and it determined that the rating forecast was stable.

Similarly, Standard & Poors Maalot confirmed a rating of iIAA- for the Company's (Series A) bonds.

- 1.3.5** On 30 October 2024, the subsidiary Electra Retail Ltd. ("Electra Retail") signed an agreement with Samsung for the import of large kitchen appliances and televisions manufactured by Samsung and its subsidiaries (the "Products"), which will be sold in stores owned by Electra Retail starting January 1, 2025. With this, Electra Retail ends its intermediary services for the Products through the importer Samline.

- 1.3.6** See Notes 4(b) and 10(d) to the interim consolidated financial statements for additional details about the effect on the Company's operations of regulatory changes in Israel and in Europe in the heating and cooling systems segment.

- 1.3.7** See Notes 4 and 10 to the interim consolidated financial statements, respectively, regarding additional significant events in the reporting period and thereafter.

The Board of Directors' Explanations of the State of the Company's Affairs

2. Financial position:

The following is a concise summary of the consolidated balance sheets (in NIS Thousands):

	As at September 30		As at
	2024	2023	31 December
	NIS Thousands		2023
			NIS Thousands
Current assets	2,465,562	2,235,713	2,186,246
Non-current assets	5,632,856	4,827,237	4,822,830
Total assets	8,098,418	7,062,950	7,009,076
Current liabilities	3,339,614	3,116,430	3,136,572 *)
Non-current liabilities	3,728,770	2,899,217	2,870,026 *)
Total equity	1,030,034	1,047,303	1,002,478
Total liabilities and equity	8,098,418	7,062,950	7,009,076

*) Reclassified

Assets

2.1 The total current assets amounted to NIS 2,466 million as at 30.09.2024, as compared with NIS 2,186 million as at 31.12.2023. The increase in current assets was primarily driven by a rise in cash and short-term deposits, mainly as a result of higher cash flow from operating activities and a bond issuance during the reporting period. This was also influenced by an increase in inventory, mainly in the electrical retail segment, primarily as a result of increased activity levels and stocking up ahead of the Tishrei and "November" holidays, partially offset by a decrease in inventory in other segments of the Company's operations, mainly due to improved inventory turnover days in the food segment, and by an increase in accounts receivable.

2.2 The total non-current assets amounted to NIS 5,633 million as at 30.09.2024, as compared with NIS 4,823 million as at 31.12.2023. The increase was mainly due to a rise in the right-of-use assets item, resulting from the extension of lease agreements in numerous Carrefour branches, and an increase in the intangible assets item, primarily due to the update of the franchise agreement with Carrefour, and an increase in the property, plant, and equipment line as a result of the continued investment in the conversion of Carrefour stores, as well as the acquisition of a building for its own use.

Liabilities

2.3 The total current liabilities amounted to NIS 3,340 million as of 30.09.2024, as compared with NIS 3,137 million as of 31.12.2023. The increase in current liabilities primarily derived from an increase in credit from banks and current maturities of bonds or debentures, offset in part by a decrease in other payables and current maturities of lease liabilities.

- 2.4** The total non-current liabilities amounted to NIS 3,729 million as at 30.09.2024, as compared with NIS 2,870 million as at 31.12.2023. The increase in non-current liabilities was primarily due to a rise in the leasing liabilities item, resulting from the extension of lease agreements in numerous Carrefour branches, corresponding to a parallel increase in the right-of-use assets item as mentioned above, and increase in other liabilities, primarily as a result of the arrangement with banks regarding the warrants issued to them for shares in Global Retail, and an increase in the bonds item due to the expansion of the bond series during the reporting period, as noted, offset in part by a decrease in long-term loans, primarily as a result of payments during the reporting period.

Shareholder equity

- 2.5** Shareholder equity as at 30.09.2024 amounted to NIS 1,030 million (including noncontrolling interests of NIS 380 million), as compared with NIS 1,002 million as at 31.12.2023 (including noncontrolling interests of NIS 370 million). The increase in equity during the reporting period was primarily due to comprehensive income in the sum of NIS 23 million and transactions with noncontrolling interests amounting to NIS 24 million, resulting from the capital raising in the Global Retail Group in the reporting period, and reaching an agreement with two banks regarding the warrants allocated to them, which are exercisable into shares of Global Retail, offset in part by a buyback of Company shares in the sum of NIS 18.5 million and a dividend that was paid to noncontrolling interests in the sum of NIS 5 million.

Financial debt, net

- 2.6** The Company's financial debt, net amounted to NIS 3,653 million as at 30.09.2024, as compared with financial debt, net of NIS 2,796 million as at 31.12.2023. The increase in net financial debt was mainly due to the extension of lease agreements in numerous Carrefour branches, as mentioned above.
- 2.7** The Company's financial debt, net, after eliminating leasing liabilities (IFRS 16), amounted to a financial debt, net, of NIS 1,008 million as at 30.09.2024, as compared with a financial debt, net, of NIS 878 million as at 31.12.2023. This increase in financial debt, net, derived primarily from an increase in working capital due to seasonality in most of the operating segments in which the Group operates, from investments in property, plant, and equipment, and other property, primarily due to ongoing investment in converting Carrefour stores, from an update to the franchise agreement with Carrefour, from the acquisition of a building for Company use, from deferred payments for acquired operations, from the buyback of shares from noncontrolling interests, from payment of a dividend to noncontrolling interests, and from the acquisition of treasury shares, offset in part by earnings from current operations during the reporting period.

2.8 Segmental assets and liabilities

	30 September 2024					
	Electrical consumer products segment	Electrical retail segment	Retail food segment	Sports and leisure segment	Investme nt property, adjustme nts, and other segment	Total
	NIS Thousands					
Current assets	1,059,001	717,114	491,668	247,514	(49,735)	2,465,562
Non-current assets	320,198	486,353	3,973,420	463,983	388,902	5,632,856
Current liabilities	565,132	1,155,237	1,534,847	228,559	(144,161)	3,339,614
Non-current liabilities	130,719	336,940	2,413,759	243,947	603,405	3,728,770
Financial asset (debt), net	(30,542)	(291,505)	(2,528,808)	(329,499)	(472,916)	(3,653,270)
Financial asset (debt), net (net of IFRS 16)	(5,655)	(54,630)	(419,462)	(55,185)	(472,916)	(1,007,848)
	30 September 2023					
	Electrical consumer products	Electrical retail segment	Retail food segment	Sports and leisure segment	Investme nt property, adjustme nts, and other segment	Total
	NIS Thousands					
Current assets	947,394	640,082	512,134	239,176	(103,073)	2,235,713
Non-current assets	300,687	405,529	3,405,678	328,796	386,547	4,827,237
Current liabilities	431,009	992,375	1,604,869	216,528	(128,351)	3,116,430
Non-current liabilities	141,157	186,524	1,834,557	173,199	563,780	2,899,217
Financial asset (debt), net	(87,060)	(196,748)	(1,947,586)	(253,906)	(511,890)	(2,997,190)
Financial asset (debt), net (net of IFRS 16)	(70,963)	(14,887)	(465,463)	(68,779)	(511,890)	(1,131,982)

The Board of Directors Report on the State of the Corporation's Affairs
For the Period Ended at 30 September 2024

	31 December 2023					
	Electrical consumer products segment	Electrical retail segment	Retail food segment	Sports and leisure segment	Investme nt property, adjustme nts, and other segment	Total
	NIS Thousands					
Current assets	972,459	497,676	495,895	241,540	(21,324)	2,186,246
Non-current assets	308,826	529,697	3,246,632	463,528	274,147	4,822,830
Current liabilities	370,455	971,552	1,590,366*	247,346	(43,147)	3,136,572
Non-current liabilities	131,439	231,300	1,863,790*	247,806	395,691	2,870,026
Financial asset (debt), net	88,309	(193,647)	(1,890,884)	(326,256)	(473,762)	(2,796,240)
Financial asset (debt), net (net of IFRS 16)	102,186	4,224	(455,683)	(54,819)	(473,763)	(877,855)

(*) Reclassified.

3. Operating results:

3.1 Summary of business results by period (in NIS Thousands):

	For the nine months ended at September 30		For the three months ended at September 30		For the year ended at 31 December					
	2024	(*)	2023	(*)	2023	(*)				
Revenues from sales and provision of services	5,498,773		4,785,590		1,978,511		1,807,741		6,488,129	
Cost of sales and provision of services	(3,885,805)		(3,436,349)		(1,399,263)		(1,293,447)		(4,657,739)	
Gross profit	1,612,968	29.3%	1,349,241	28.2%	579,248	29.3%	514,294	28.4%	1,830,390	28.2%
Selling and marketing expenses	(1,303,569)		(1,212,764)		(457,468)		(417,603)		(1,603,570)	
Administrative and general expenses	(81,108)		(72,530)		(28,483)		(23,063)		(94,117)	
Research and development expenses	(7,833)		(5,943)		(2,181)		(2,088)		(8,035)	
Group's share in losses of companies treated according to the equity method, net	(903)		(802)		(106)		(143)		(962)	
Operating income before other income (expenses), net, and reorganisation revenues (expenses)	219,555	4.0%	57,202	1.2%	91,010	4.6%	71,397	3.9%	123,706	1.9%
Other income (expenses), net	9,336		27,630		11,732		(3,432)		(57,690)	
Reorganisation revenues (expenses)	6,113		-		(212)		-		(10,171)	
Operating income after other income (expenses), net, and reorganisation income (expenses)	235,004	4.3%	84,832	1.8%	102,530	5.2%	67,965	3.8%	55,845	0.9%
Financing income	13,438		8,877		3,666		1,797		11,208	
Financing expenses	(187,833)		(168,375)		(63,738)		(54,955)		(220,294)	
Income (loss) before taxes on income	60,609		(74,666)		42,458		14,807		(153,241)	
Taxes on income	(24,148)		(7,610)		(9,196)		(9,463)		(11,160)	
Net income (loss) from continuing operations	36,461		(82,276)		33,262		5,344		(164,401)	
Loss from discontinued operations	(15,891)		(48,358)		(6,134)		(21,285)		(117,257)	
Net income (loss)	20,570		(130,634)		27,128		(15,941)		(281,658)	
Net income (loss) attributed to Company shareholders	48,978		(22,014)		30,296		9,868		(101,263)	

(*) Percentage of turnover.

(**) 2023 comparison data have been reclassified with respect to discontinued operations; see Note 5 to the interim consolidated financial statements.

3.1.1 Revenues

The Group's revenues amounted to NIS 5,499 million in the nine-month period ended at 30 September 2024 (the "reporting period"), as compared with NIS 4,786 million in the parallel period of the previous year, an increase of approximately 14.9%.

The Group's revenues amounted to NIS 1,979 million in the third quarter of 2024, as compared with NIS 1,808 million in the parallel period of the previous year, an increase of 9.4%.

The increase in sales turnover was primarily due to the growth in sales in the electrical retail segment, mainly from increased sales in identical branches, the increase in sales in the food segment mostly from branches converted to the Carrefour chain, and the growth in sales in the sports and leisure segment, due, *inter alia*, to increased sales by Sa'ar, primarily from increased sales to wholesalers as a result of the Iron Swords War and increased sales per metre in Sa'ar stores as well as the growth in Adidas brand sales per metre in Adidas branches, partially offset by a decline in sales in the electrical consumer products segment due to a decrease in export sales of heating systems as a result of regulatory changes and a reduction in subsidies in Europe, as detailed in Section 1.2.4 above. (See Section 4 below for additional details regarding reporting on business segments.)

3.1.2 Gross profit

The gross profit rate in the reporting period came to approximately 29.3% of sales turnover, as compared with approximately 28.2% in the corresponding period of the previous year. The gross profit in the reporting period amounted to NIS 1,613 million as compared with NIS 1,349 million in the parallel period of the previous year, an increase of approximately 19.5%.

The gross profit rate in the third quarter came to approximately 29.3% of sales turnover, as compared with approximately 28.2% in the corresponding period of the previous year. The gross profit in the third quarter of 2024 amounted to NIS 579 million, as compared with NIS 514 million in the corresponding period of the previous year, an increase of approximately 12.6%.

The increase in gross profit primarily derived from an increase in electrical retail segment sales, an increase in food segment sales turnover, and an increase in sports and leisure segment sales turnover that was partly offset by a decrease in gross profit in the electrical consumer products segment. (See Section 4 below for additional details in connection with reporting on business segments.)

3.1.3 Selling and marketing expenses

Selling and marketing expenses amounted to NIS 1,304 million (approximately 23.7% of sales turnover) during the reporting period, as compared with NIS 1,213 million (approximately 25.3% of sales turnover) corresponding period of the previous year.

Selling and marketing expenses amounted to NIS 457 million (23.1% of sales turnover) in the third quarter of 2024, as compared with NIS 418 million (23.1% of sales turnover) in the parallel period of the previous year.

The increase in selling and marketing expenses primarily derived from an increase in the retail electrical retail segment and the sports and leisure segment due to an increase in sales turnover and the opening of new branches, offset in part by a decrease in selling expenses in the food segment, primarily as a result of the implementation of a streamlining plan. (See Section 4 below for additional details in connection with reporting on business segments.)

3.1.4 Administrative and general expenses

Administrative and general expenses amounted to NIS 31 million (approximately 1.5% of sales turnover) in the reporting period, as compared with NIS 73 million (approximately 1.5% of sales turnover) in the corresponding period of the previous year.

Management and general expenses amounted to NIS 28 million (approximately 1.4% of sales turnover) in the third quarter of 2024, as compared to NIS 23 million (approximately 1.3% of sales turnover) in the corresponding period of the previous year.

The increase in general and administrative expenses was primarily due to higher professional consulting expenses, an increase in management fees to the parent company following a credit received in the previous year, and an increase in salary expenses, mainly as a result of provisions for employee bonuses.

3.1.5 Operating income before other income (expenses), net, and reorganisation revenues (expenses)

Operating income before other income (expenses), net, and reorganisation revenues, amounted to NIS 219.6 million in the reporting period, as compared with NIS 57.2 million in the corresponding period in the previous year.

Operating income before other income (expenses), net, and reorganisation expenses amounted to NIS 91 million in the third quarter of 2024, as compared with NIS 71.4 million in the corresponding period of the previous year.

The increase in profit was mainly due to the increase in sales and improved results in most sectors.

3.1.6 Other income (expenses), net

Other net income amounted to NIS 9.3 million in the reporting period, compared to NIS 27.6 million in the corresponding period of the previous year.

Other net income amounted to approximately NIS 11.7 million in the third quarter of 2024, as compared with other net expenses of approximately NIS 3.4 million in the corresponding period of the previous year.

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Below is a breakdown of the composition of other income (expenses):

	For the nine months ended at September 30		For the three months ended at September 30		For the year ended at 31 December
	2024	2023 *)	2024	2023 *)	2023
Capital gain (loss) from disposal of property, plant, and equipment	664	2,212	134	(91)	1,888
Capital gain from disposal of an investee	1,871	-	1,871	-	-
Impairment of investment property	(2,162)	(1,173)	(648)	(465)	(7,107)
Capital gain from sale of consolidated partnership credit portfolio	-	34,242	-	-	34,242
Income from decrease in control in previously consolidated partnership	-	4,337	-	-	4,337
Transaction costs and consulting expenses for previous years	(5,044)	(4,939)	-	(1,249)	(12,424)
Impairment of goodwill	-	-	-	-	(67,041)
Iron Swords War grant	3,865	-	616	-	3,500
Revenues, net, from lawsuits	12,874	2,304	10,652	462	999
Expenses for setting up the support system for establishing the Carrefour chain prior to its operation	-	(7,266)	-	(578)	(7,985)
Other	(2,732)	(2,087)	(893)	(1,511)	(8,099)
Total	9,336	27,630	11,732	(3,432)	(57,690)

(*) Reclassified with respect to discontinued operations; see Note 5 to the interim consolidated financial statements.

3.1.7 Reorganisation revenues (expenses)

Reorganisation revenues during the reporting period totalled NIS 6.1 million, while reorganisation expenses in the third quarter of 2024 amounted to NIS 0.2 million, both originating from the food retail segment.

3.1.8 Operating income after other income and reorganisation revenues

Operating income after other income and reorganisation revenues amounted to NIS 235 million in the reporting period, as compared with NIS 84.8 million in the corresponding period of the previous year.

Operating income after other income and reorganisation revenues amounted to NIS 102.5 million in the third quarter of 2024, as compared with NIS 68 million in the corresponding period of the previous year.

The increase in operating income after other income, net, and reorganisation revenues was mainly due to the increase in sales and improved results in most sectors, as mentioned above.

3.1.9 Net financing income (expenses)

Financing expenses, net, amounted to NIS 174.4 million in the reporting period, as compared with NIS 159.5 in the parallel period of the previous year.

Financing expenses, net, amounted to NIS 60.1 million in the third quarter of 2024, as compared with NIS 53.2 million in the corresponding period of the previous year.

The increase in financing expenses, net, in the reporting period primarily derived from an increase in financing expenses in respect of IFRS 16, primarily as a result of new rental agreements, primarily in the food segment, offset in part by expenses resulting from an update to the fair value of the call option to purchase the previous controlling shareholder's share in Global Retail C.I. Ltd. in the corresponding period in the previous year. This was offset by an increase in interest income for deposits and securities.

3.1.10 Income (loss) before taxes on income

Income before taxes on income amounted to NIS 60.6 million in the reporting period, as compared with income before taxes on income of NIS 74.7 million in the corresponding period of the previous year. This derived primarily from a decrease in losses before taxes in the retail food segment and from improved income before tax in the retail electrical and the sports and leisure segments, as noted above.

Income before taxes in the third quarter of 2024 totalled NIS 42.5 million, compared to a profit before taxes of NIS 14.8 million in the corresponding period of the previous year, primarily resulting from **income before taxes in the retail food segment in the third quarter of 2024, compared to a loss before taxes in the corresponding period of the previous year.**

3.1.11 Taxes on income

Expenses for taxes on income amounted to NIS 24.1 million in the reporting period, as compared with NIS 7.6 million in the corresponding period of the previous year.

Expenses for taxes on income amounted to NIS 9.2 million in the third quarter of 2024, as compared with NIS 9.5 million in the corresponding period of the previous year.

The increase in tax expenses during the reporting period primarily derived from an increase in income before tax in all of the Company operating segments and a tax return for prior years received last year in the food segment.

3.1.12 Net income (loss) from continuing operations

The net income from continuing operations during the reporting period amounted to NIS 36.5 million as compared with a loss of NIS 82.3 million in the corresponding period of the previous year, primarily resulting from a reduction in the loss in the food retail segment compared to of the previous year.

Earnings from continuing operations amounted to NIS 33.3 million in the third quarter of 2024, as compared with earnings of NIS 5.3 million in the corresponding period of the previous year.

In the third quarter of 2024, the food segment reported, for the first time, a net income from continuing operations of NIS 0.8 million.

3.1.13 Loss from discontinued operations

Losses from discontinued operations amounted to NIS 15.9 million in the reporting period, as compared with NIS 48.4 million in the corresponding period of the previous year.

Loss from discontinued operations amounted to NIS 6.1 million in the third quarter of 2024, as compared with NIS 21.3 million in the corresponding period of the previous year.

See Note 5 to the interim consolidated financial statements for additional details regarding discontinued operations.

3.1.14 Net income (loss)

Net income during the reporting period amounted to NIS 20.6 million, as compared with net loss of NIS 130.6 million in the corresponding period of the previous year.

Net income in the third quarter of 2024 amounted to NIS 27.1 million, as compared with a loss of NIS 15.9 million in the corresponding period of the previous year.

The main increase in net income during the reporting period compared to the loss last year was primarily due to a decrease in the loss in the food retail segment during the reporting period compared to the previous year as a result of improved results in the segment and the implementation of a streamlining programme as described above (last year, many branches were closed for a significant amount of time for their conversion and preparation for the launch of Carrefour) and an increase in segmental income in the electrical retail segment and the sports and leisure segment. (See Section 4 below for additional details in connection with reporting on business segments.)

3.1.15 Net income (loss) attributed to Company shareholders

Net income attributed to Company shareholders amounted to NIS 49 million in the reporting period, as compared with net loss attributed to the Company's shareholders in the sum of NIS 22 million in the corresponding period of the previous year.

Net income attributed to the Company's shareholders amounted to NIS 30.3 million in the third quarter of 2024, as compared with NIS 9.9 million in the parallel period of the previous year.

The primary increase in net income attributed to the Company's shareholders was due primarily to a decrease in the loss in the food retail segment during the reporting period compared to the previous (last year, many branches were closed for a significant amount of time for their conversion and preparation for the launch of Carrefour) and an increase in segmental income in the electrical retail segment and the sports and leisure segment.

3.1.16 EBITDA *)

EBITDA amounted to NIS 501 million in the reporting period, as compared with NIS 316 million in the parallel period of the previous year, an increase of 59%. EBITDA in the third quarter of 2024 amounted to NIS 186 million, as compared with NIS 160 million in the parallel period of the previous year, an increase of 16.1%. The increase in EBITDA was mainly due to growth in the food segment compared to the same period the previous (last year, many branches were closed for a significant amount of time for their conversion and preparation for the launch of Carrefour), as well as growth in the electrical retail segment and the sports and leisure segment, partially offset by a decrease in the electrical consumer products segment.

EBITDA, net of the retail food segment, amounted to NIS 259 million in the reporting period, as compared with NIS 220 million in the parallel period of the previous year, reflecting an increase of 18%.

EBITDA, net of the retail food segment, amounted to NIS 89 million in the third quarter of 2024, as compared with NIS 87 million in the parallel period of the previous year, reflecting an increase of 3%. This derived primarily from the electrical retail segment and the sports and leisure segment.

EBITDA, after neutralisation of the effects of IFRS 16, during the reporting period totalled NIS 236 million, compared to NIS 88 million in the corresponding period last year, and NIS 94 million in the third quarter of 2024, compared to EBITDA of NIS 82 million in the corresponding period last year.

The increase in EBITDA was primarily due to improved results in most segments, as indicated.

*) EBITDA is calculated as earnings before depreciation and amortisation, financing expenses, net, other income (expenses), and taxes on income.

3.1.17 Below is a summary of retail results:

Summary of results of retail activity for the three months ended at 30 September 2024 compared with the corresponding period last year and the year ended at 31 December 2023:

Electrical Retail in NIS Thousands		7-9/2024	7-9/2023	31.12.2023
General data				
Number of franchise branches		1	2	2
Number of directly operated stores		85	79	79
Commercial space, gross (m ²)		50,380	45,638	45,638
Commercial space, net (m ²)		33,672	30,652	30,652
Human capital	Stores	974	880 (*)	952
	Other	153	137 (*)	94
Revenues and costs				
Revenues	Directly operated	677,933	572,538	2,056,240
Cost of sale	Variable costs	522,788	436,510	1,565,375
Rent (according to gross commercial space as indicated above)	After applying IFRS 16 (**)	10,897	11,772	46,690
	Without applying IFRS 16	22,597	21,972	86,329
Total salary costs attributed to retail operations employees (including contract worker expenses)		58,305	(*) 48,854	187,819
Depreciation expenses after application of IFRS 16		13,421	12,797	50,046
Segmental income		32,236	31,598	86,440
Operational working capital (***)		(236,065)	(250,578)	(326,699)
Redemption and sales data				
Revenues per m ² - monthly average in NIS thousands		6.21	5.49 (*)	3.40 (*)
Percent change in revenues from same stores (%) (****)		16.8%	6.6%	4.4%

(*) Reclassified.

(**) Including variable rent costs and not including depreciation and financing expenses.

(***) Inventory balance and trade receivable balance, less trade payables balance.

(****) For an explanation of the percent change in revenues from same stores, see Section 4.5(1) of the Board of Directors Report as at 30 September 2024.

Electrical Retail	For the quarter ended on		
	30.9.2024	30.9.2023	31.12.2023
Group growth			
Percent change in net commercial/sales floor space (*)	9.9%	(0.1%)	1.1%
Percent change in same store sales (**)	16.8%	6.6%	4.4%

(*) Comparison numbers have been reclassified.

(**) For an explanation of the percent change in revenues from same stores, see Section 4.5(1) of the Board of Directors Report as at 30 September 2024.

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Retail Food in NIS Thousands (*)		7-9/2024	7-9/2023	31.12.2023
General data				
Number of directly operated stores		149	150	149
Commercial space, gross (m ²)		171,420	172,181	171,184
Commercial space, net (m ²)		112,740	113,317	112,591
Human capital	Stores	4,446	4,582	4,202
	Other	83	91	92
Operations Results				
Revenues	Directly operated	881,930	826,971 (*)	2,996,798
	Other income	8,500	3,540	33,068
Cost of sale	Variable costs	608,693	576,221 (*)	2,148,995
Rent (according to gross commercial space as indicated above)	After applying IFRS 16 (**)	2,495	3,583	19,390
	Without applying IFRS 16	62,744	57,495	221,096
Total salary costs attributed to retail operations employees (including contract worker expenses)		120,778	129,008 (*)	498,643
Depreciation expenses after application of IFRS 16		58,598	57,893 (*)	226,239
Operating income (loss) (***)		38,188	15,350 (*)	(45,388)
Operational working capital (****)		(477,872)	(553,367)	(475,806)
Redemption and sales data				
Revenues per m ² - monthly average in NIS thousands (****)		30,720	28,860 (*)	27,182
Percent change in revenues from same stores (%) (*****)		6.24%	21%	12.09%

(*) Data are presented net of discontinued operations; see Note 5 to the interim consolidated financial statements. The 7-9/2023 data have been reclassified accordingly.

(**) Including variable rent costs and not including depreciation and financing expenses.

(***) Before reorganisation and other expenses.

(****) Inventory balance and trade receivable balance, less trade payables balance.

(*****) Comparison numbers have been reclassified.

(*****) For an explanation of the percent change in revenues from same stores, see Section 4.5(2) of the Board of Directors Report as at 30 September 2024.

Retail Food	For the quarter ended on		
	30.9.2024	30.9.2023	31.12.2023
Group growth			
Percent change in net commercial/sales floor space	(0.51%)	(1.38%)	(2.1%)
Percent change in same store sales (*)	6.24%	21%	12.09%

(*) For an explanation of the percent change in revenues from same stores, see Section 4.5(2) to the Board of Directors Report as at 30 September 2024.

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Sports and Leisure in NIS Thousands		7-9/2024	7-9/2023	31.12.2023
General data				
Number of directly operated stores		98	69	100
Commercial space, gross (m ²)		28,840	17,733	30,199
Commercial space, net (m ²)		21,820	14,713	22,714
Human capital	Stores	658	433	902
	Other	96	91	107
Revenues				
Revenues	Directly operated	97,420	43,831	204,010
	Wholesale	19,367	15,105	93,189
Cost of sale	Variable costs	53,699	25,475	131,148
Rent (according to gross commercial space as indicated above)	After applying IFRS 16 (**)	7,667	3,563 (*)	14,496
	Without applying IFRS 16	22,505	12,599 (*)	47,741
Total salary costs attributed to retail operations employees (including contract worker expenses)		16,726	6,938	31,747
Depreciation expenses after application of IFRS 16		15,714	10,682	40,705
Segmental income		3,507	(1,862)	18,592
Operational working capital (***)		127,342	115,039	154,844
Redemption and sales data				
Revenues per sq. m. - monthly average in NIS thousands		1.14	0.96 (*)	1.22 (*)
Change in revenues from same store sales (%) (****)		21%	(1%)	(2%)

(*) Reclassified.

(**) Including variable rent costs and not including depreciation and financing expenses.

(***) Inventory balance and trade receivable balance, less trade payables balance.

(****) For an explanation of the percent change in revenues from same stores, see Section 4.5(3) to the Board of Directors Report as at 30 September 2024.

Sports and Leisure	For the quarter ended on		
	30.9.2024	30.9.2023	31.12.2023
Group growth			
Percent change in net commercial/sales floor space (*)	48%	14%	109%
Percent change in same store sales (**)	21%	(1%)	(2%)

(*) Comparison numbers have been reclassified.

(**) For further explanation of the percent change in revenues from same stores, see Section 4.5(3) of the Board of Directors Report as at 30 September 2024.

4. Report on business segments

4.1 Revenues (in NIS Thousands)

	For the nine months ended at September 30			For the three months ended at September 30		
	In NIS Thousands			In NIS Thousands		
	2024	2023	% change	2024	2023	% change
Electrical consumer products	934,219	1,000,414	(6.6%)	346,261	365,279	(5.2%)
Electrical retail	1,858,387	1,517,186	22.5%	677,933	572,538	18.4%
Retail food	2,492,353	2,193,578 *)	13.6%	890,430	830,511 *)	7.2%
Sports and leisure	343,965	178,149	93.1%	116,787	58,936	98.2%
Investment property	9,615	8,792	9.4%	3,207	2,954	8.6%
Adjustments and other	(139,766)	(112,529)	-	(56,107)	(22,477)	-
Total	5,498,773	4,785,590	14.9%	1,978,511	1,807,741	9.4%

4.2 Segmental income (loss) (in NIS Thousands):

	For the nine months ended at September 30			For the three months ended at September 30		
	In NIS Thousands			In NIS Thousands		
	2024	2023	% change	2024	2023	% change
Electrical consumer products	67,399	78,920	(14.6%)	26,566	25,211	5.4%
Electrical retail	90,751	63,895	42.0%	32,144	31,698	1.4%
Retail food	66,729	(71,774) *)	193%	38,188	15,350 *)	148.8%
Sports and leisure	18,157	(2,112)	-	2,884	(1,866)	-
Investment property	9,583	8,736	9.7%	3,175	2,939	8.0%
Adjustments and other	(3,985)	1,523	-	(1,014)	5,149	-
Total segmental income	248,634	79,188	214%	101,943	78,481	29.9%
Other income (expenses), net	9,336	27,630	-	11,732	(3,432)	-
Reorganisation revenues (expenses)	6,113	-	-	(212)	-	-
Unallocated shared expenses	(29,079)	(21,986)	-	(10,933)	(7,084)	-
Operating income	235,004	84,832	177%	102,530	67,965	50.9%

(*) Reclassified with respect to discontinued operations; see Note 5 to the interim consolidated financial statements for additional details.

4.3 Segmental EBITDA (in NIS Thousands):

	For the nine months ended at September 30			For the three months ended at September 30		
	In NIS Thousands			In NIS Thousands		
	2024	2023	% change	2024	2023	% change
Electrical consumer products	87,642	100,838	(13.1%)	33,443	32,494	2.9%
Electrical retail	129,682	101,348	28.0%	45,565	44,495	2.4%
Retail food	242,453	96,059 *)	152.4%	96,786	73,243 *)	32.1%
Sports and leisure	64,132	28,475	125.2%	18,598	8,816	111.0%
Investment property	9,583	8,736	9.7%	3,175	2,939	8.0%
Adjustments and other	(3,056)	2,181	-	(589)	5,372	-
Total segmental EBITDA	530,436	337,637	57.1%	196,978	167,359	17.7%
Unallocated shared expenses	(29,079)	(21,986)	-	(10,933)	(7,084)	-
EBITDA	501,357	315,651	58.8%	186,045	160,275	16.1%

4.4 Segmental EBITDA net of the effects of IFRS 16 (in NIS Thousands):

	For the nine months ended at September 30			For the three months ended at September 30		
	In NIS Thousands			In NIS Thousands		
	2024	2023	% change	2024	2023	% change
Electrical consumer products	83,741	95,600	(12.4%)	32,033	30,576	4.8%
Electrical retail	95,605	69,487	37.6%	33,437	33,658	(0.7%)
Retail food	61,177	(66,402)*)	192.1%	34,375	17,855 *)	92.5%
Sports and leisure	19,065	1,854	928.3%	3,361	(520)	-
Investment property	9,583	8,736	9.7%	3,175	2,939	8.0%
Adjustments and other	(3,056)	2,181	-	(589)	5,372	-
Total segmental EBITDA	266,115	111,456	138.8%	105,792	89,880	17.7%
Unallocated shared expenses	(30,471)	(23,773)	-	(11,428)	(7,710)	-
EBITDA	235,644	87,683	168.7%	94,364	82,170	14.8%

*) Reclassified with respect to discontinued operations; see Note 5 to the interim consolidated financial statements for additional details.

4.5 Explanation of the data that appears in the table

(1) Electrical retail

Sales turnover amounted to NIS 1,858 million in the reporting period, as compared with NIS 1,517 million in the parallel period of the previous year, which constitutes an increase of 22.5%. The increase in sales was mainly due to the growth in same store sales, as well as an increase in online sales compared to the parallel period of the previous year. This was despite a significant decrease in duty-free shop operations as a result of the impact of the Iron Swords War.

The sales in the same stores in the segment that fully operated in the reporting period increased by 22.7% in comparison to the corresponding period of the previous year. Excluding sales from duty-free shops, sales in identical stores that operated fully during the reporting period increased by 29% compared to the parallel period of the previous year.

Monthly average sales per square metre in the same stores amounted to NIS 5,839 per square metre, as compared with NIS 4,936 per square metre in the parallel period of the previous year.

Segmental income, net of other income, net, increased and amounted to NIS 91 million in the reporting period, constituting 4.9% of turnover, as compared with NIS 64 million - constituting 4.2% of turnover - in the corresponding period of the previous year. The increase primarily derived from an increase in same store sales.

Sales turnover amounted to NIS 678 million in the third quarter of 2024, as compared with NIS 573 million in the parallel period of the previous year, reflecting an increase of 18.4%. The increase in sales in the third quarter of 2024 was mainly due to the growth in same store sales, as well as an increase in online sales compared to the parallel period of the previous year. This was despite a significant decrease in duty-free shop operations as a result of the impact of the Iron Swords War.

The sales in the same stores in the segment that fully operated in the third quarter of 2024 increased by approximately 16.8% in comparison to the parallel period of the previous year. Net of sales from duty-free shops, sales in stores that operated fully in the third quarter of 2024 increased by 22.5% compared to the corresponding period of the previous year.

Monthly average sales per square metre in the same stores in the third quarter of 2024 amounted to NIS 6,212, as compared with NIS 5,493 per square metre in the corresponding period of the previous year.

Segmental income, after neutralising other income, net, increased and amounted to NIS 32.1 million in the third quarter of 2024, reflecting 4.7% of turnover, as compared with NIS 31.7 million, reflecting 5.5% of turnover, in the corresponding period of the previous year. The maintenance of identical segment profit was primarily due to a decline in the activity of duty-free shops, as stated.

(2) Retail food

Sales turnover amounted to NIS 2,492 million in the reporting period, as compared with NIS 2,194 million in the parallel period of the previous year, reflecting an increase of 13.6%. The increase in sales turnover was mainly due to the growth in sales from branches converted to Carrefour starting from May last year and the opening of new branches under the Carrefour brand.

The sales turnover at stores that were converted to Carrefour amounted to NIS 1,984 million in the reporting period, as compared with NIS 1,644 million corresponding period of the previous year, reflecting **an increase of 21%**.

The sales in the same stores in this segment that operated fully in the reporting period (including stores that were converted to Carrefour) **increased by approximately 9%** as compared to the parallel period of the previous year.

Monthly average sales per square metre in same stores during the reporting period (including stores that were converted to Carrefour) amounted to NIS 29,102, as compared with an NIS 26,009 per square metre annual average corresponding period of the previous year.

Annual average sales per square metre in Carrefour stores that were full operational (76 stores) amounted to NIS 35,630 per square metre during the reporting period, as

compared with NIS 29,985 per square metre in those same stores in the parallel period of the previous year, and **reflect an increase of 19%**.

Segmental income, after neutralising other expenses, net, amounted to NIS 66.7 million in the reporting period, reflecting 2.7% of turnover, as compared with a loss, net of other income, net, of NIS 71.8 million corresponding period of the previous year. The increase in segmental income derived primarily from increased sales in stores that had been converted to Carrefour and operated fully during the reporting period, compared to the corresponding period of the previous year (the launch was during the course of May, last year), increased sales at same stores, and the continued implementation of the abovementioned streamlining plan.

The Global Retail Group (neutralising surplus costs) continues to present positive EBITDA, net of IFRS 16 effects, amounting to NIS 72 million during the reporting period, compared to negative EBITDA, net of IFRS 16 effects, of NIS 79 million in the corresponding period of the previous year.

Sales turnover amounted to NIS 890 million in the third quarter of 2024, as compared with NIS 831 million in the corresponding period of the previous year, an increase of 7.2% compared to the corresponding period of the previous year. The increase in sales turnover was mainly due to the growth in sales from branches converted to Carrefour starting from May last year and the opening of new branches under the Carrefour brand.

Sales turnover for stores converted to Carrefour amounted to NIS 710 million in the third quarter of 2024, as compared with NIS 639 million in the corresponding period of the previous year, **reflecting an increase of 11%**.

The sales in the same stores in this segment that operated fully in the third quarter of 2024 (including stores that have been converted to Carrefour) **increased by approximately 6% as compared to the corresponding period of the previous year.**

Monthly average sales per square metre in same stores in the third quarter of 2024 (including stores that were converted to Carrefour) amounted to NIS 30,720 per square metre, as compared with an NIS 28,860 per square metre annual average corresponding period of the previous year.

Annual average sales per square metre in Carrefour stores that were full operational (97 stores) in the third quarter of 2024 amounted to NIS 34,995 per square metre during the reporting period, as compared with NIS 34,525 per square metre in those same stores in the parallel period of the previous year.

Segmental income in the third quarter of 2024, net of other income, net, and reorganisation expenses amounted to NIS 38.2 million, reflecting 4.3% of turnover, as compared with income after neutralising other income, net, of NIS 15.4 million in the corresponding period of the previous year, constituting 1.8% of turnover. The increase in segmental income compared to the corresponding period of the previous year derived primarily from increased sales in stores that had been converted to Carrefour and operated fully during the third quarter of 2024, increased sales at same stores, and the continued implementation of the abovementioned streamlining plan.

Further to the previous quarter, Global Retail is presenting (neutralising surplus costs) positive EBITDA net of IFRS 16 in the sum of NIS 36 million, compared with a positive EBITDA net of IFRS 16 in the sum of NIS 10 million in the corresponding quarter of the previous year.

(3) Sports and leisure

The sales turnover amounted to NIS 344 million in the reporting period, compared with NIS 178 million in the corresponding period in the previous year, **reflecting an increase of 93.1% compared to the corresponding period of the previous year**. The increase in revenue turnover derived from increased revenues by Sa'ar, primarily due to the opening of new stores, increased wholesale operations, *inter alia*, because of the Iron Swords War, and increased in store sales per square metre, increased revenues for the Adidas brand due to expanded brand operations, and increased same store sales and sales per square metre during the reporting period compared to the corresponding period of the previous year.

The sales in the Sa'ar's same stores in the that operated fully in the reporting period **increased by approximately 16%** compared to the parallel period of the previous year. Moreover, proforma sales in the Adidas brand same stores **increased by 33%** as compared to the corresponding period of the previous year.

Monthly average sales per square metre in the Sa'ar's same stores in the reporting period amounted to NIS 1,142, as compared with NIS 1,012 per square metre in the corresponding period of the previous year. Monthly average sales per square metre in the Adidas brand same stores in the reporting period amounted to NIS 1,463 per square metre, as compared with NIS 1,101 per square metre in the corresponding period of the previous year.

Segmental income, after neutralising other income, net, amounted to NIS 18.2 million in the reporting period, reflecting 5.3% of turnover, as compared with a loss after neutralising other income, net, of NIS 2.1 million in the corresponding period of the previous year. The increase in segmental income primarily derived from an increase in same store sales.

The sales turnover amounted to NIS 117 million in the third quarter of 2024, as compared with NIS 59 million in the in the corresponding period in the previous year, reflecting an **increase of 98.2% compared to the corresponding period of the previous year**. The increase in sales turnover derived from increased revenues by Sa'ar, *inter alia*, because of increased same store sales, the opening of new stores, increased wholesale operations, *inter alia*, because of the Iron Swords War, increased in store sales per square metre, as well as due to increased revenues for the Adidas brand due to expanded brand operations, and increased same store sales and sales per square metre in the third quarter of 2024 compared to the corresponding period of the previous year.

The Sa'ar's sales for same stores that operated fully in the third quarter of 2024 **increased by 13%** as compared to the corresponding period of the previous year. Furthermore, sales for Adidas brand same stores that operated fully in the third quarter of 2024 **increased by 38%** as compared to the corresponding period of the previous year.

Monthly average sales per square metre in the Sa'ar's same stores in the third quarter of 2024 amounted to NIS 961 per square metre, as compared with NIS 868 per square metre in the corresponding period of the previous year. Monthly average sales per square metre in the Adidas brand same stores in the third quarter of 2024 amounted to NIS 1,726 per square metre, as compared with NIS 1,247 per square metre in the corresponding period of the previous year.

Segmental income, after neutralisation of other income, net, amounted to NIS 2.9 million during the third quarter of 2024, reflecting 2.5% of the revenue turnover, as compared with losses after neutralisation of other expenses, net, of NIS 1.9 million in the parallel period of the previous year. The increase in segmental income primarily derived from an increase in same store sales.

(4) Electrical consumer products

The sales turnover amounted to NIS 934 million in the reporting period, as compared with NIS 1,000 million corresponding period of the previous year, a decrease of 6.6%. The decrease in revenues was mainly due to a reduction in export sales of heating systems as a result of regulatory changes and a reduction in subsidies in Europe. (See, Section 1.2.4 above for additional details.)

Additionally, the same period last year included sales from solar activities amounting to NIS 11 million, and deconsolidation during the second quarter of last year.

Neutralising sales in the heating systems export sector and solar activity sales, the segment's sales turnover during the reporting period remained identical to the corresponding period of the previous year.

Segmental income after neutralising other expenses, net, amounted to NIS 67 million in the reporting period, as compared with NIS 79 million in the parallel period of the previous year. The decrease in segmental income primarily derived from the decrease in revenue turnover.

The sales turnover amounted to NIS 346 million in the third quarter of 2024, as compared with NIS 365 million corresponding period of the previous year, a decrease of 5.2%. The decrease in sales in the third quarter of 2024 was mainly due to a reduction in export sales of heating systems as a result of regulatory changes and a reduction in subsidies in Europe.

Neutralising sales in the heating systems export sector in the third quarter of 2024, the segment's sales turnover slightly decreased by NIS 5 million compared the corresponding period of the previous year.

Segmental income, net of other expenses, net, amounted to NIS 27 million in the third quarter of 2024, as compared with NIS 25 million net of other income, net, in the corresponding period in the previous year.

(5) Investment property

Sales turnover amounted to NIS 9.6 million in the reporting period, as compared with NIS 8.8 million in the parallel period of the previous year.

Segmental income amounted to NIS 9.6 million in the reporting period, as compared with NIS 8.7 million in the parallel period of the previous year.

The sales turnover amounted to NIS 3.2 million in the third quarter of 2024, as compared with NIS 3 million corresponding period of the previous year.

The segmental income amounted to NIS 3.2 million in the third quarter of 2024, as compared with NIS 2.9 million corresponding period of the previous year.

5. Impact of the implementation of International Financial Reporting Standard No. 16 – Leases

Impact of IFRS 16 – Leases on the consolidated statement of profit and loss (in NIS Thousands)

	1-9/2024		1-9/2023		1-12/2023	
	As reported	Net of the effect of IFRS 16 – Leases	As reported	Net of the effect of IFRS 16 – Leases	As reported	Net of the impact of IFRS 16 – Leases
Operating income (loss)	235,004	165,645	84,832	38,503	55,845	(4,828)
Financing expenses, net	(174,395)	(78,152)	(159,498)	(94,243)	(209,086)	(122,415)
Income (loss) before taxes on income	60,609	87,493	(74,666)	(55,739)	(153,241)	(127,243)
Taxes on income	(24,148)	(24,148)	(7,610)	(7,610)	(11,160)	(11,160)
Net income (loss) from continuing operations	36,461	63,345	(82,276)	(63,349)	(164,401)	(138,403)
Loss from discontinued operations	(15,891)	(15,496)	(48,358)	(47,726)	(117,257)	(112,816)
Net income (loss)	20,570	47,849	(130,634)	(111,075)	(281,658)	(251,219)
Net income (loss) attributed to Company shareholders	48,978	62,012	(22,014)	(16,413)	(101,263)	(90,441)
EBITDA	501,357	235,644	315,651	87,683	471,303	171,351

	7-9/2024		7-9/2023	
	As reported	Net of the impact of IFRS 16 – Leases	As reported	Net of the impact of IFRS 16 – Leases
Operating income	102,530	76,410	67,965	51,605
Financing expenses, net	(60,072)	(22,420)	(53,158)	(31,160)
Earnings before taxes on income	42,458	53,990	14,807	20,446
Taxes on income	(9,196)	(9,196)	(9,463)	(9,463)
Net income from continuing operations	33,262	44,794	5,344	10,983
Loss from discontinued operations	(6,134)	(6,134)	(21,285)	(20,614)
Net income (loss)	27,128	38,660	(15,941)	(9,631)
Net income attributed to Company shareholders	30,296	35,669	9,868	10,521
EBITDA	186,045	94,364	160,275	82,170

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Below are details of the adjustments made for the presentation of the results net of the effect of IFRS 16 - Leases:

	For the nine months ended at September 30		For the three months ended at September 30		For the year ended at 31 December
	2024	2023	2024	2023	2023
	In NIS Thousands				
Operating income as reported	235,004	84,832	102,530	67,965	55,845
Additional rental expenses resulting from the neutralisation of the effects of the application of IFRS 16	(265,713)	(227,968)	(91,681)	(78,105)	(299,952)
Net of depreciation effects - IFRS 16	197,371	183,177	65,568	63,283	245,345
Net of other income due to contract reductions	(1,017)	(1,537)	(7)	(1,538)	(6,066)
Operating income (loss) after neutralisation of IFRS 16 impacts	165,645	38,503	76,410	51,605	(4,828)
Net of effects of financing expenses when applying IFRS 16	96,243	65,255	37,652	21,998	86,671
EBITDA as reported	501,357	315,651	186,045	160,275	471,303
Inclusion of rent expenses	265,713	227,968	91,681	78,105	299,952
EBITDA net of effects of IFRS 16	235,644	87,683	94,364	82,170	171,351

6. Distribution of the sources of financing

6.1 The following is a brief summary of the cash flows (in NIS Thousands):

	For the nine months ended at September 30		For the three months ended at September 30		For the year ended at 31 December
	2024	2023	2024	2023	2023
	In NIS Thousands				
Cash flows generated (absorbed) by					
Current operations	213,631	4,444	159,491	108,106	297,273
Investment operations	(389,732)	(452,216)	28,254	(114,840)	(546,765)
Financing	110,780	135,918	(75,550)	(24,847)	62,420
Total cash increase (decrease)	(65,321)	(311,854)	112,195	(31,581)	(187,072)

6.2 Cash flows from regular operations

Net cash that derived from current operations amounted to NIS 214 million in the reporting period, as compared with NIS 4 million in the corresponding period of the previous year. The increase in cash flows from current operations in the reporting period as compared with the corresponding period of the previous year primarily derived from an improvement in most of the Company's operating segments and an improvement in working capital items, compared to the parallel period of the previous year.

Net cash that derived from current operations amounted to NIS 159 million during the third quarter of 2024, as compared with net cash that derived from current operations in the sum of NIS 108 million in the previous year. The increase in cash flows in the third quarter of 2024 from current operations in the reporting period as compared with the corresponding period of the previous year derived from an improvement in working capital items and improvement in most of the Company's operating segments, compared to the parallel period of the previous year.

6.3 Cash flows absorbed by investment activity

Net cash that was used by investment activity amounted to NIS 390 million in the reporting period, as compared with NIS 452 million in the parallel period of the previous year. The change during the reporting period derived from the investment of cash in short-term deposits, net, in the sum of NIS 144 million, investment in marketable securities, net, in the sum of NIS 14 million, deferred payment for an activity acquired last year amounting to NIS 41 million, investment in property, plant and equipment in the sum of NIS 161 million, and an investment in intangible assets in the sum of NIS 34 million. Net cash used for investing activities in the same period last year was primarily utilised for investment in the renovation and conversion of branches in preparation for the launch of Carrefour and for investment in short-term deposits and were offset in part by the proceeds from the disposal of a credit portfolio in a consolidated partnership.

Net cash arising from investment operations in the third quarter of 2024 amounted to NIS 28 million, compared to net cash used for investing activities of NIS 115 million in the

corresponding period of the previous year. The main change in the third quarter of 2024 stemmed from proceeds from short-term deposits and investments in property, plant, and equipment last year, primarily for the renovation and conversion of branches in preparation for the Carrefour launch.

6.4 Cash flows generated by financing activity

The net cash that derived from financing activity amounted to NIS 111 million in the reporting period, as compared with NIS 136 million in the parallel period of the previous year. Net cash provided by financing activities during the reporting period was mainly derived from issuing bonds, net, in the sum of NIS 178 million, from short-term credit and bank credit in the sum of NIS 131 million, from the issue of equity to noncontrolling interests in a consolidated company amounting to NIS 78 million, and from obtaining long-term loans from banks amounting to NIS 30 million. These were partially offset by the repayment of long-term loans from banks totalling NIS 98 million, the repayment of lease liabilities amounting to NIS 167 million, payments to noncontrolling interests for the purchase of their shares in consolidated companies in the sum of NIS 18 million, and from the buyback of Company shares in the sum of NIS 19 million.

Net cash arising from financing activities during the parallel period last year primarily derived from long-term loans from banks and other corporations in the sum of NIS 204 million, mainly in the food segment, for the renovation and conversion of branches and their preparation for the launch of Carrefour, from the issuance of equity to holders of noncontrolling rights in a subsidiary in the sum of NIS 42 million, and from short-term credit from banks in the sum of NIS 154 million, and was partially offset primarily by the repayment of lease liabilities totalling NIS 161 million, repayment of long-term loans to banking institutions amounting to NIS 38 million, the Company's buyback of shares for NIS 12 million, the acquisition of noncontrolling interests' shares for NIS 20 million, and the payment of dividends to the Company's shareholders totalling NIS 35 million.

Net cash that used for financing activity amounted to NIS 76 million in the third quarter of 2024, as compared with the sum of NIS 25 million in the parallel period of the previous year. Net cash used for financing activities in the third quarter of 2024 primarily resulted from the repayment of long-term loans to banking institutions totalling NIS 40 million and the repayment of lease liabilities amounting to NIS 53 million, partially offset by short-term credit from banks amounting to NIS 25 million.

Net cash used for financing activities in the third quarter of 2023 primarily resulted from the repayment of lease liabilities totalling NIS 55 million, the repayment of long-term loans to banking institutions amounting to NIS 21 million, the purchase of noncontrolling interests' shares for NIS 20 million, and the repurchase of the Company's own shares for NIS 8 million. These were partially offset by the receipt of long-term loans from banking institutions totalling NIS 50 million and short-term credit from banking institutions amounting to NIS 30 million.

7. Events after the balance sheet date

For details about events after the balance sheet date, see Note 10 to the interim consolidated financial statements.

8. Buyback plan

There was no change regarding the Company's share buyback plan during the reporting period. For details, see Section 10 to the Board of Directors Report attached to the Company's Periodic Report for 2023. See Note 4D to the interim consolidated financial statements for details regarding the buyback of shares carried out by the Company in the reporting period.

9. Directors with accounting and financial expertise

During the reporting period, there was no change regarding the minimum number of directors who have special financial-accounting expertise that the Company board of directors must include.

10. Independent directors

During the reporting period, there was no change regarding the independent directors as set forth in the Company's Periodic Report for 2023.

11. Disclosure regarding the internal auditor

During the reporting period, there were no material changes regarding data about the Company's internal auditor as set forth in the Company's Periodic Report for 2023.

12. Disclosure regarding critical accounting estimates

See the Board of Directors Report for 31 December 2023.

13. Report on the liabilities position of the Company and the consolidated companies

Data on the Company's liabilities position as at 30 September 2024 are included in this report by way of reference to such data in the Company's immediate report on the Company's liabilities position by repayment dates, which the Company published in tandem with this report.

14. Financial benchmarks

The following table sets forth the various criteria that the Company undertook with respect to bondholders the calculation of whose results is accurate as at 30 September 2024:

Security	Balance of the par value of the security in circulation (in NIS Thousands)		Financial benchmark	Actual benchmark as at 30.9.2024
	As at 30 September 2024	Immediately prior to reporting date		
(Series A) Bonds/Debentures	574,040	574,040	Tangible equity – the Company's "solo" tangible equity at the end of the review period (as defined in the deed) shall not be less than NIS 350 million.	NIS 650 million
			Ratio of net financial debt to net balance sheet – The ratio of the net financial debt to the net balance sheet at the end of the review period (as defined in the deed) shall not exceed 67%.	13.41%

15. Below are the details about the (Series A) Bonds (in NIS Thousands)

15.1 The following table includes a summary of data about the Company's bonds in circulation as of the reporting date

Bonds (Series A) ⁽¹⁾	
Disclosure item	Details about the bonds (Series A)
1. Issuance date	7 February 2022, pursuant to a shelf-offering report; ⁽²⁾ 17 August and 20 December 2022, in the framework of private offerings to classified investors ⁽³⁾ 21 January 2024, pursuant to a shelf-offering report; ⁽³⁾
2. Total par value on the date of issue ⁽²⁾ Total par value on the dates that the series was expanded ⁽³⁾	NIS 250 million par value NIS 100 million par value; NIS 78.125 million par value; NIS 199.431 million par value
3. Par value balance as at 30 September 2024	NIS 574,040 million par value
4. Par value balance on the reporting date	NIS 574,040 thousand par value
5. The par value balance on the reporting date, revalued according to linkage terms	The series is not linked.
6. Amount of carried accrued interest as at 30 September 2024	NIS 3.014 million ⁽⁴⁾
7. Market value as at 24 November 2024	NIS 531.1 million
8. Type of interest	Fixed interest at a rate of 2.1%. Note that the trust deed for the (Series A) bonds dated 2 February 2022 (the "Trust Deed") establishes a number of adjustment mechanisms for changing the annual interest rate for the (Series A) bonds due to failure to meet minimal tangible equity, due to failure to meet the net financial debt to EBITDA ratio, or due to a change in the (Series A) bond rating. According to the above (cumulative) adjustment mechanisms, the total amount of interest supplements shall not exceed 1.25% (other than in the event of an entitlement to interest on arrears). For details, see Sections 5.21, 5.22, and 5.23 to the Trust Deed.
9. Dates for payment of principal	The (Series A) bonds were and/or are payable (as applicable) in seven (7) unequal annual instalments as follows: four (4) payments at a rate of 12.5% each on 31 December of each of the years 2023 through 2026 (inclusive), two (2) payments at a rate of 15% each on 31 December of each of the years 2027 and 2028 (inclusive), and an additional payment of 20% on 31 December 2029. The first instalment of the principal was paid on 31 December 2023, and the final instalment of the principal will be paid on 31 December 2029.
10. Interest payment dates	The interest for the (Series A) bonds will be paid (or was paid, as applicable) in equal amounts semi-annually on 30 June and 31 December in each of the years 2022 through 2029 (inclusive) such that the first interest payment was on 30 June 2022 and the last interest payment will be on 31 December 2029 (together with the final payment of the principal).
11. Principal and interest linkage basis	The (Series A) bonds are not linked (principal or interest) to any linkage basis.

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Bonds (Series A)⁽¹⁾		
Disclosure item		Details about the bonds (Series A)
12.	Are the bonds convertible?	No
13.	Early repayment or forced conversion of bonds	The Company shall be entitled, at its initiative, to call the (Series A) bonds due for early repayment, all according to the provisions of Section 7.2 to the Trust Deed.
14.	Guarantee for payment of the Company's obligations pursuant to the Trust Deed	None
15.	Fulfillment of the terms and obligations pursuant to the Trust Deed	As of the report date, the Company has been meeting all of its above described financial terms and obligations. Additionally, as of the report date, to the best of the Company's knowledge, the Company has not breached its obligations as established in the (Series A) bonds' Trust Deed, and no conditions have occurred that establish cause for calling the above bonds due for immediate repayment.
16.	Is the Company required by the trustee to perform various actions, including calling meetings of bondholders?	No
17.	Details of guarantees/liens	None
Details about the trustee for the holders of (Series A) bonds		
1.	Trustee name	Mishmeret Trust Company Ltd.
2.	Bond Administrator	Mr. Rami Sabati, CPA
3.	Contact information	48 Menachem Begin Blvd., Tel Aviv, Telephone: 03-6374351, Fax: 03-6374344, email address: RamiS@mtrust.co.il
Details about the (Series A) bond rating		
1.	Name of rating company as of the report date	Standard & Poors Maalot Ltd. ("Maalot")
2.	Rating determined on the date of issue	'iIAA-' (January and February 2022)
3.	Rating on the report publication date	'iIAA-' (August 2024) ⁽⁵⁾
4.	Additional ratings between the date of issue and the report date	'iIAA-' (August, September, and December 2022, August 2023, and January 2024)

- (1) As of the report date, pursuant to the provisions of Section 10(B)(13)(a) to the Report Regulations, the Company views the (Series A) bonds as a substantive series.
- (2) On 3 February 2022, the Company published a shelf-offering report (reference number: 2022-01-013488), in which the Company made an initial public offering of NIS 250,000 thousand par value of the Company's (Series A) bonds.
- (3) On 17 August and 20 December 2022, the Company made a private offering to classified investors in the sum of NIS 100 million par value and NIS 78.125 million par value, respectively, of (Series A) Company bonds by way of expanding a series (reference numbers: 2022-01-084156 and 2022-01-120543, respectively). On 17 January 2024, the Company published a shelf-offering report (reference number: 2024-01-006388), in which the Company issued NIS 199,431,000 par value of the Company's (Series A) bonds by way of a series expansion.
- (4) The amount of interest accrued as at 25 November 2024 in respect of the (Series A) bonds is NIS 4.875 million.
- (5) See the Company's immediate report dated 12 August 2024 (reference number: 2024-01-081474), which is included in this report by way of reference, for details about the updated ratings report for the (Series A) bonds as of the date of the publication of this report.

15.2 Working capital shortfall

In light of the issuance of the Company's (Series A) bonds as described above, the Company is required, pursuant to Article 10(B)(14) to the Report Regulations, to ascertain, from time to time, whether there are indications of a liquidity problem at the Company.

As at 30 September 2024, the Company listed in its consolidated financial statements, negative working capital (net) (current assets less current liabilities) of NIS 874 million and a negative operating capital (net) - which characterises retail operations such as the Company's - of NIS 82 million. Similarly, as at that date, according to the Company's solo financial data, the Company has a positive working capital (net) (current assets less current liabilities) of NIS 110 million and a negative operating capital (net) of NIS 1 million.

Net of the food segment, the Company has positive working capital (net) (current assets less current liabilities) in the sum of NIS 172 million, and positive operating working capital (net) in the sum of NIS 458 million.

The Company's board of directors conducted a review as to whether the above factual situation indicates a liquidity problem, in the framework of which it reviewed the Company's sources for repaying its existing and expected liabilities based on the forecasted cash flow that was presented to the board. Accordingly, the board of directors determined that the shortfall in working capital and the shortfall in operating working capital do not indicate a liquidity problem at the Company and therefore, there is no warning sign at the Company as that term is defined in Article 10(B)(14) to the Report Regulations.

16. Linkage bases report for 30 September 2024 (in NIS Thousands)

	Dollars	Euro	Total foreign currency	Unlinked	Linked	Non-monetary	Total
Assets							
Cash and cash equivalents	33,020	37,264	70,284	240,813	-	-	311,097
Short-term deposits and investments	-	-	-	273,339	-	-	273,339
Trade receivables	10,315	17,500	27,815	747,788	-	-	775,603
Other receivables	3,681	2,411	6,092	59,485	3,322	20,570	89,469
Inventory	-	-	-	-	-	1,016,054	1,016,054
Long-term trade and other receivables	-	-	-	5,005	2,730	-	7,735
Investment in companies treated at equity	-	-	-	-	-	13,248	13,248
Investment property	-	-	-	-	-	327,658	327,658
Investment property under construction	-	-	-	-	-	52,800	52,800
Property, plant, and equipment, net	-	-	-	-	-	737,613	737,613
Right-of-use assets, land	-	-	-	-	-	63,589	63,589
Right-of-use assets, other	-	-	-	-	-	2,335,175	2,335,175
Goodwill	-	-	-	-	-	1,934,689	1,934,689
Intangible assets	-	-	-	-	-	133,307	133,307
Deferred taxes	-	-	-	-	-	27,042	27,042
Total assets	47,016	57,175	104,191	1,326,430	6,052	6,661,745	8,098,418
Liabilities							
Credit from banks and others	-	-	-	510,187	-	-	510,187
Current maturities of bonds	-	-	-	73,939	-	-	73,939
Current maturities of lease liabilities	-	-	-	-	222,651	-	222,651
Trade payables	119,392	39,868	159,260	1,714,876	-	-	1,874,136
Other payables	-	24,410	24,410	340,395	20,428	273,468	658,701
Loans from banks and others	-	-	-	536,492	-	-	536,492
Bonds/Debentures	-	-	-	471,666	-	-	471,666
Lease liabilities	-	-	-	-	2,422,771	-	2,422,771
Other non-current liabilities	-	12,152	12,152	85,620	-	125,992	223,764
Employee benefit liabilities, net	-	-	-	-	-	33,631	33,631
Deferred taxes	-	-	-	-	-	40,446	40,446
Total liabilities	119,392	76,430	195,822	3,733,175	2,665,850	473,537	7,068,384
Balance of the exposure of assets (liabilities) to results	(72,376)	(19,255)	(91,631)	(2,406,745)	(2,659,798)	6,188,208	1,030,034

Daniel Salkind, Chairman of the Board of Directors

Zvika Schwimmer, Chief Executive Officer

Date: 25 November 2024

Consolidated Statements of Financial Position

	As at 30 September		As at
	2024	2023	31 December
	Unaudited		Audited
	NIS Thousands		
<u>Current assets</u>			
Cash and cash equivalents	311,097	251,636	376,418
Short-term deposits and investments	273,339	103,543	104,578
Trade receivables	775,603	767,257	648,197
Other receivables	89,469	93,188	87,778
Inventory	1,016,054	1,020,089	969,275
	<u>2,465,562</u>	<u>2,235,713</u>	<u>2,186,246</u>
<u>Non-current assets</u>			
Long-term trade and other receivables	7,735	12,094	10,905
Investment in companies treated at equity	13,248	12,440	12,280
Investment property	327,658	326,979	327,658
Investment property under construction	52,800	29,301	52,800
Property, plant, and equipment, net	737,613	670,143	648,894
Right-of-use assets, land	63,589	64,267	64,096
Right-of-use assets, other	2,335,175	1,600,706	1,626,065
Goodwill	1,934,689	1,948,388	1,934,689
Intangible assets	133,307	138,760	115,849
Deferred taxes	27,042	24,159	29,594
	<u>5,632,856</u>	<u>4,827,237</u>	<u>4,822,830</u>
	<u><u>8,098,418</u></u>	<u><u>7,062,950</u></u>	<u><u>7,009,076</u></u>

Consolidated Statements of Financial Position

	As at 30 September		As at
	2024	2023	31 December
	Unaudited		Audited
	NIS Thousands		
<u>Current liabilities</u>			
Credit from banks and others	510,187	423,705	359,429*)
Current maturities of bonds	73,939	49,978	50,083
Current maturities of leasing liabilities	222,651	222,028	241,565
Trade payables	1,874,136	1,836,877	1,806,788
Other payables	658,701	583,842	678,707
	<u>3,339,614</u>	<u>3,116,430</u>	<u>3,136,572</u>
<u>Non-current liabilities</u>			
Loans from banks and others	536,492	649,706	638,210*)
Bonds/Debentures	471,666	363,772	311,129
Lease liabilities	2,422,771	1,643,180	1,676,820
Other liabilities	223,764	165,698	167,586
Employee benefit liabilities, net	33,631	32,723	33,432
Deferred taxes	40,446	44,138	42,849
	<u>3,728,770</u>	<u>2,899,217</u>	<u>2,870,026</u>
<u>Equity</u>			
Equity attributed to Company shareholders	649,869	608,516	632,087
Non-controlling interests	380,165	438,787	370,391
	<u>1,030,034</u>	<u>1,047,303</u>	<u>1,002,478</u>
<u>Total equity</u>	<u>8,098,418</u>	<u>7,062,950</u>	<u>7,009,076</u>

*) Reclassified. See Note 2b.

25 November 2024

Date of approval of the
financial statements

Daniel Salkind
Chair of the Board of
Directors

Zvika Schwimmer
Chief Executive
Officer

Yehonatan Tsabari
Deputy CEO
Head of Finance

Consolidated Statements of Profit and Loss and Other Comprehensive Income

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023 *)	2024	2023 *)	2023 *)
	Unaudited				Audited
	NIS Thousands				
Revenues from sales and provision of services	5,498,773	4,785,590	1,978,511	1,807,741	6,488,129
Cost of sales and provision of services	(3,885,805)	(3,436,349)	(1,399,263)	(1,293,447)	(4,657,739)
Gross profit	1,612,968	1,349,241	579,248	514,294	1,830,390
Selling and marketing expenses	(1,303,569)	(1,212,764)	(457,468)	(417,603)	(1,603,570)
Administrative and general expenses	(81,108)	(72,530)	(28,483)	(23,063)	(94,117)
Research and development expenses	(7,833)	(5,943)	(2,181)	(2,088)	(8,035)
Group's share in losses of companies treated at equity, net	(903)	(802)	(106)	(143)	(962)
Operating income before other income (expenses), net, and reorganisation revenues (expenses)	219,555	57,202	91,010	71,397	123,706
Other income (expenses), net	9,336	27,630	11,732	(3,432)	(57,690)
Reorganisation revenues (expenses)	6,113	-	(212)	-	(10,171)
Operating income after other income, net, and reorganisation income (expenses)	235,004	84,832	102,530	67,965	55,845
Financing income	13,438	8,877	3,666	1,797	11,208
Financing expenses	(187,833)	(168,375)	(63,738)	(54,955)	(220,294)
Profit (loss) before taxes on income	60,609	(74,666)	42,458	14,807	(153,241)
Taxes on income	(24,148)	(7,610)	(9,196)	(9,463)	(11,160)
Net income (loss) from continuing operations	36,461	(82,276)	33,262	5,344	(164,401)
Loss from discontinued operations *)	(15,891)	(48,358)	(6,134)	(21,285)	(117,257)
Net income (loss)	20,570	(130,634)	27,128	(15,941)	(281,658)
<u>Net profit (loss) attributed to:</u>					
Company shareholders	48,978	(22,014)	30,296	9,868	(101,263)
Non-controlling interests	(28,408)	(108,620)	(3,168)	(25,809)	(180,395)
	20,570	(130,634)	27,128	(15,941)	(281,658)
<u>Base net earnings (loss) per share attributed to Company shareholders (in NIS)</u>					
Profit (loss) from continuing operations	2.78	0.60	1.58	1.24	(0.77)
Loss from discontinued operations	(0.67)	(1.62)	(0.27)	(0.78)	(3.91)
	2.11	(1.02)	1.31	0.46	(4.68)
<u>Diluted net earnings (loss) per share attributed to Company shareholders (in NIS)</u>					
Profit (loss) from continuing operations	2.76	0.60	1.57	1.22	(0.77)
Loss from discontinued operations	(0.66)	(1.62)	(0.27)	(0.77)	(3.91)
	2.10	(1.02)	1.30	0.45	(4.68)
Weighted number of shares used in calculating base net income (loss) per share	23,167,681	21,583,731	23,075,175	21,551,017	21,631,673
Weighted number of shares used in calculating diluted net earnings (loss) per share	23,323,682	21,583,731	23,323,682	21,890,494	21,631,673

*) Reclassified with respect to discontinued operations

Consolidated Statements of Profit and Loss and Other Comprehensive Income

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS Thousands				
Net income (loss)	20,570	(130,634)	27,128	(15,941)	(281,658)
Other comprehensive income (loss) (after tax):					
<u>Sums that will not later be reclassified to profit or loss:</u>					
Loss from remeasurement for defined benefit plans	-	-	-	-	(1,396)
<u>Sums that will be classified or are reclassified to profit or loss upon specific conditions being met:</u>					
Profit (loss) with respect to cash flow hedging transactions	2,484	(4,881)	-	-	(7,365)
Transfer to Statement of Profit and Loss with respect to cash flow hedging transactions	-	4,676	-	-	4,676
Total other comprehensive profit (loss)	2,484	(205)	-	-	(4,085)
Total comprehensive income (loss)	23,054	(130,839)	27,128	(15,941)	(285,743)
<u>Comprehensive profit (loss) attributable to:</u>					
Company shareholders	51,462	(24,089)	30,296	9,868	(106,286)
Non-controlling interests	(28,408)	(106,750)	(3,168)	(25,809)	(179,457)
	23,054	(130,839)	27,128	(15,941)	(285,743)

Consolidated Statements of Changes in Equity

	Attributable to Company shareholders									Non-controlling interests	Total equity	
	Share capital	Share premium	Treasury shares	Capital reserve with respect to transactions with controlling shareholders	Capital reserve with respect to transactions with holders of non-controlling interests	Capital reserve with respect to share-based payments	Capital reserve with respect to remeasurement of defined benefit plans	Capital reserve for hedging transactions	Retained earnings			Total
(Unaudited)												
NIS Thousands												
Balance as at 1 January 2024 (audited)	75,027	554,163	(132,214)	4,362	(34,927)	12,167	(2,788)	(2,484)	158,781	632,087	370,391	1,002,478
Total comprehensive income (loss)	-	-	-	-	-	-	-	2,484	48,978	51,462	(28,408)	23,054
Cost of share-based payments	-	-	-	-	-	3,063	-	-	-	3,063	1,038	4,101
Buyback of Company shares	-	-	(18,512)	-	-	-	-	-	-	(18,512)	-	(18,512)
Exercise of options	92	1,999	-	-	-	(1,999)	-	-	-	92	-	92
Transaction with holders of non-controlling interests	-	-	-	-	(18,323)	-	-	-	-	(18,323)	42,332	24,009
Consolidation of consolidated company	-	-	-	-	-	-	-	-	-	-	(189)	(189)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,999)	(4,999)
Balance as at 30 September 2024	75,119	556,162	(150,726)	4,362	(53,250)	13,231	(2,788)	-	207,759	649,869	380,165	1,030,034

Consolidated Statements of Changes in Equity

	Attributable to Company shareholders								Total	Non-controlling interests	Total equity	
	Share capital	Share premium	Treasury shares	Capital reserve with respect to transactions with controlling shareholders	Capital reserve with respect to transactions with holders of non-controlling interests	Capital reserve with respect to share-based payments	Capital reserve with respect to remeasurement of defined benefit plans	Capital reserve for hedging transactions				Retained earnings
(Unaudited)												
NIS Thousands												
Balance as at 1 January 2023 (audited)	73,150	430,661	(111,192)	4,362	(29,127)	9,311	(2,324)	2,075	295,044	671,960	551,848	1,223,808
Total comprehensive loss	-	-	-	-	-	-	-	(2,075)	(22,014)	(24,089)	(106,750)	(130,839)
Cost of share-based payments	-	-	-	-	-	3,359	-	-	-	3,359	1,061	4,420
Buyback of Company shares	-	-	(12,017)	-	-	-	-	-	-	(12,017)	-	(12,017)
Exercise of options	12	228	-	-	-	(228)	-	-	-	12	-	12
Equity issue to holders of non-controlling interests in a consolidated company	-	-	-	-	-	-	-	-	-	-	41,564	41,564
Transaction with holders of non-controlling interests	-	-	-	-	4,291	-	-	-	-	4,291	(53,646)	(49,355)
Deconsolidation of consolidated partnership	-	-	-	-	-	-	-	-	-	-	2,750	2,750
Investment in consolidated partnership equity by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,960	1,960
Dividends paid to Company shareholders	-	-	-	-	-	-	-	-	(35,000)	(35,000)	-	(35,000)
Balance as at 30 September 2023	<u>73,162</u>	<u>430,889</u>	<u>(123,209)</u>	<u>4,362</u>	<u>(24,836)</u>	<u>12,442</u>	<u>(2,324)</u>	<u>-</u>	<u>238,030</u>	<u>608,516</u>	<u>438,787</u>	<u>1,047,303</u>

Consolidated Statements of Changes in Equity

	Attributable to Company shareholders							Retained earnings	Total	Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Capital reserve with respect to transactions with controlling shareholders	Capital reserve with respect to transactions with holders of non-controlling interests	Capital reserve with respect to share-based payments	Capital reserve with respect to remeasurement of defined benefit plans				
	(Unaudited)										
	NIS Thousands										
Balance as at 1 July 2024	75,102	555,815	(147,778)	4,362	(51,858)	12,475	(2,788)	177,463	622,793	386,940	1,009,733
Total comprehensive income (loss)	-	-	-	-	-	-	-	30,296	30,296	(3,168)	27,128
Cost of share-based payments	-	-	-	-	-	1,103	-	-	1,103	-	1,103
Buyback of Company shares	-	-	(2,948)	-	-	-	-	-	(2,948)	-	(2,948)
Exercise of options	17	347	-	-	-	(347)	-	-	17	-	17
Transaction with holders of non-controlling interests	-	-	-	-	(1,392)	-	-	-	(1,392)	1,392	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,999)	(4,999)
Balance as at 30 September 2024	75,119	556,162	(150,726)	4,362	(53,250)	13,231	(2,788)	207,759	649,869	380,165	1,030,034

Consolidated Statements of Changes in Equity

	Attributable to Company shareholders							Retained earnings	Total	Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Capital reserve with respect to transactions with controlling shareholders	Capital reserve with respect to transactions with holders of non-controlling interests	Capital reserve with respect to share-based payments	Capital reserve with respect to remeasurement of defined benefit plans				
	(Unaudited)										
	NIS Thousands										
Balance as at 1 July 2023	73,162	430,889	(115,018)	4,362	(11,188)	11,384	(2,324)	228,162	619,429	500,206	1,119,635
Total comprehensive income (loss)	-	-	-	-	-	-	-	9,868	9,868	(25,809)	(15,941)
Cost of share-based payments	-	-	-	-	-	1,058	-	-	1,058	97	1,155
Buyback of Company shares	-	-	(8,191)	-	-	-	-	-	(8,191)	-	(8,191)
Transaction with holders of non-controlling interests	-	-	-	-	(13,648)	-	-	-	(13,648)	(35,707)	(49,355)
Balance as at 30 September 2023	73,162	430,889	(123,209)	4,362	(24,836)	12,442	(2,324)	238,030	608,516	438,787	1,047,303

Consolidated Statements of Changes in Equity

	Attributable to Company shareholders										Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Capital reserve with respect to transactions with controlling shareholders	Capital reserve with respect to transactions with holders of non-controlling interests	Capital reserve with respect to share-based payments	Capital reserve with respect to remeasurement of defined benefit plans	Capital reserve for hedging transactions	Retained earnings	Total		
	(Unaudited)											
	NIS Thousands											
Balance as at 1 January 2023	73,150	430,661	(111,192)	4,362	(29,127)	9,311	(2,324)	2,075	295,044	671,960	551,848	1,223,808
Total comprehensive loss	-	-	-	-	-	-	(464)	(4,559)	(101,263)	(106,286)	(179,457)	(285,743)
Issue of share capital	1,760	121,973	-	-	-	-	-	-	-	123,733	-	123,733
Equity issue to holders of non-controlling interests in a consolidated company	-	-	-	-	-	-	-	-	-	-	41,564	41,564
Cost of share-based payments	-	-	-	-	-	4,385	-	-	-	4,385	324	4,709
Buyback of Company shares	-	-	(21,022)	-	-	-	-	-	-	(21,022)	-	(21,022)
Exercise of options	117	1,529	-	-	-	(1,529)	-	-	-	117	-	117
Transaction with holders of non-controlling interests	-	-	-	-	(5,800)	-	-	-	-	(5,800)	(44,200)	(50,000)
Non-controlling interests created in a company consolidated for the first time	-	-	-	-	-	-	-	-	-	-	3,100	3,100
Deconsolidation of consolidated partnership	-	-	-	-	-	-	-	-	-	-	2,750	2,750
Investment in consolidated partnership equity by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,960	1,960
Dividends paid to Company shareholders	-	-	-	-	-	-	-	-	(35,000)	(35,000)	-	(35,000)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(7,498)	(7,498)
Balance as at 31 December 2023	<u>75,027</u>	<u>554,163</u>	<u>(132,214)</u>	<u>4,362</u>	<u>(34,927)</u>	<u>12,167</u>	<u>(2,788)</u>	<u>(2,484)</u>	<u>158,781</u>	<u>632,087</u>	<u>370,391</u>	<u>1,002,478</u>

Consolidated Statements of Cash Flows

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS Thousands				
<u>Cash Flows from Current Operations</u>					
Net income (loss)	20,570	(130,634)	27,128	(15,941)	(281,658)
Adjustments required for presenting cash flows from current operations:					
Adjustments to profit and loss items:					
Depreciation and amortisation	283,909	268,341	94,983	95,319	357,433
Impairment of intangible assets and goodwill	-	-	-	-	98,303
Impairment (appreciation) of investment property	193	(41)	6	93	(350)
Impairment of investment property under construction	1,969	1,214	642	372	7,457
Cost of share-based payment	4,101	4,420	1,103	1,155	4,709
Capital gain from sale of consolidated partnership credit portfolio	-	(34,242)	-	-	(34,242)
Capital loss from disposal of property, plant, and equipment	7,007	381	7,537	2,684	1,017
Capital gain from disposal of an investee	(1,871)	-	(1,871)	-	-
Capital gain from decrease in control of previously consolidated partnership	-	(4,337)	-	-	(4,337)
Company's share in losses of companies treated according to the equity method, net	903	802	106	143	962
Deferred taxes, net	(594)	(989)	2,871	(204)	(7,068)
Change in employee benefit liabilities, net	199	(9)	646	20	(599)
Change in provision for impairment of property, plant, and equipment and right-of-use assets	(11,844)	-	(5,365)	-	26,399
Other adjustments	(8,298)	8,062	(175)	(2,424)	(12)
	275,674	243,602	100,483	97,158	449,672
Changes in assets and liabilities items:					
Decrease (increase) in trade receivables (including long-term receivables)	(123,748)	(53,873)	(40,627)	(79,535)	66,585
Decrease (increase) in other receivables	(2,483)	10,807	16,759	38,237	16,200
Decrease (increase) in inventory	(44,270)	(242,464)	131,586	64,858	(176,217)
Increase (decrease) in trade payables	63,230	201,617	(82,014)	(35,698)	216,138
Increase (decrease) in other payables	24,658	(24,611)	6,176	39,027	6,553
	(82,613)	(108,524)	31,880	26,889	129,259
Net cash from current operations	213,631	4,444	159,491	108,106	297,273

Consolidated Statements of Cash Flows

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023	2024	2023	2023
	Unaudited				Audited
NIS Thousands					
<u>Cash flow from investment activities</u>					
Acquisition of property, plant, and equipment	(161,250)	(393,236)	(59,979)	(142,547)	(472,245)
Purchase of intangible assets	(33,909)	-	-	-	(14,799)
Capitalisation of costs recognised in investment property and investment property under construction	(2,162)	(1,477)	(648)	(476)	(3,493)
Proceeds from disposal of property, plant, and equipment	9,835	2,691	666	12	2,718
Proceeds from sale of consolidated partnership credit portfolio	-	35,450	-	-	35,450
Proceeds from (investment in) short-term deposits, net	(144,217)	(99,022)	91,183	24,703	(99,045)
Proceeds from (investment in) marketable securities, net	(13,796)	416	679	-	563
Other investments, net	(3,397)	(1,324)	(3,647)	(1,532)	(200)
Cash released from escrow in the acquisition of a subsidiary	-	5,000	-	5,000	5,000
Deferred payment for acquired operations	(41,178)	-	-	-	-
Acquisition of initially consolidated subsidiaries (A)	342	-	-	-	-
Proceeds from disposal of investment in previously consolidated partnership (B)	-	(714)	-	-	(714)
Net cash from (used in) investment operations	(389,732)	(452,216)	28,254	(114,840)	(546,765)
<u>Cash flows from financing operations</u>					
Issue of share capital	92	12	17	-	123,850
Dividends paid to Company shareholders	-	(35,000)	-	-	(35,000)
Dividends paid to non-controlling interests	(4,999)	-	(4,999)	-	(8,998)
Repayment of bonds/debentures	-	-	-	-	(53,516)
Issuance of bonds/debentures less cost of issuance	178,403	-	-	-	-
Receipt of long-term loans from banks and others	30,000	204,000	-	50,000	247,730
Repayment of long-term loans from banks and others	(98,273)	(37,590)	(39,590)	(21,495)	(59,091)
Buyback of Company shares	(18,512)	(12,017)	(2,948)	(8,191)	(21,022)
Investment in consolidated partnership equity by non-controlling interests	-	1,960	-	-	1,960
Issuance of equity in consolidated company to holders of non-controlling interests	78,230	41,564	-	-	41,564
Buyback of shares from holder of non-controlling interests	(17,889)	(20,000)	-	(20,000)	(20,000)
Payment of lease liabilities	(167,338)	(161,272)	(52,834)	(54,801)	(211,041)
Short-term bank credit, net	131,066	154,261	24,804	29,640	55,984
Net cash from (used for) financing operations	110,780	135,918	(75,550)	(24,847)	62,420
<u>Increase (decrease) in cash and cash equivalents</u>	(65,321)	(311,854)	112,195	(31,581)	(187,072)
<u>Balance of cash and cash equivalents at beginning of period</u>	376,418	563,490	198,902	283,217	563,490
<u>Balance of cash and cash equivalents at end of the period</u>	311,097	251,636	311,097	251,636	376,418

Consolidated Statements of Cash Flows

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS Thousands				
(A) Acquisition of companies consolidated for the first time					
Consolidated companies' assets and liabilities as at date of acquisition:					
Working capital (other than cash and cash equivalents)	744	-	-	-	44,595
Property, plant, and equipment	(18)	-	-	-	(6,028)
Intangible assets	(195)	-	-	-	-
Right-of-use assets	-	-	-	-	15,440
Goodwill	-	-	-	-	(62,586)
Other non-current liabilities	-	-	-	-	5,479
Non-controlling interests	(189)	-	-	-	3,100
	342	-	-	-	-
(B) <u>Proceeds from disposal of investment in previously consolidated partnership</u>					
Working capital (other than cash and cash equivalents)	-	2,065	-	-	2,065
Property, plant, and equipment	-	442	-	-	442
Goodwill	-	9,875	-	-	9,875
Investments in the Company accounted for at equity	-	(13,383)	-	-	(13,383)
Other non-current liabilities	-	(6,800)	-	-	(6,800)
Non-controlling interests	-	2,750	-	-	2,750
Capital gain from decrease in control of previously consolidated partnership	-	4,337	-	-	4,337
	-	(714)	-	-	(714)

Consolidated Statements of Cash Flows

	For the nine months ended at 30 September		For the three months ended at 30 September		For the year ended at 31 December
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS Thousands				
(C) Significant non-cash activities					
Acquisition of property, plant, and equipment using credit	42,000	81,840	6,596	81,840	35,834
Increase in right-of-use asset against lease liabilities	954,166	-	138,429	-	305,865
Transaction with holders of non-controlling interests	53,415	-	-	-	-
Short-term payables for buyback of shares from non-controlling interests by a consolidated company	-	30,000	-	30,000	30,000
Non-controlling interests deriving from a business combination in a second-tier subsidiary	-	-	-	-	3,100
Deferred proceeds in respect of a business consolidation	-	-	-	-	54,178
Growth of franchise asset against liability	1,184	154,182	-	19,786	-
(D) Additional information on cash flows					
Cash paid over the course of the period for:					
Interest	170,458	132,339	56,052	46,345	190,798
Taxes on income	32,957	46,896	7,045	10,640	49,623
Cash received over the course of the period for:					
Interest	14,004	10,235	4,841	2,235	12,522
Taxes on income	2,516	15,322	1,364	17	16,283

