

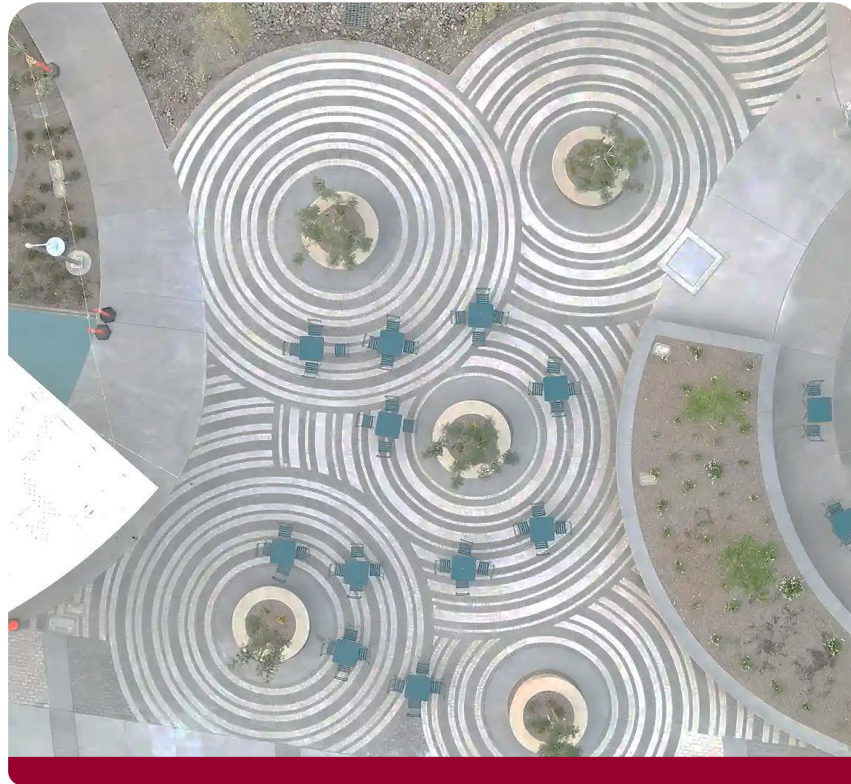


ACKERSTEIN

GROUP

INVESTOR PRESENTATION

March 2025



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Israel's Leading Manufacturer and Provider of Concrete Products & Solutions

for infrastructure, safeguarding, construction, and landscape design

100

Years of
Excellence

20

Production
Facilities

549

Employees

902

ILS Million
2024 Revenue

155

ILS Million
2024 EBITDA

50

ILS Million
Declared
Dividend¹

490

ILS Million
Investment
properties

1.24

ILS Billion
Equity



1. Dividend declared on March 11, 2025

Operating Segments

Industry Segment

Manufacturing, marketing and sales of concrete products for landscape design and, infrastructure products, cladding, roofing tiles, metal infrastructure products, and metal formwork for concrete casting (starting 2025).



Overseas Industry Segment

Landscape design products in Western US



Engineering Segment

Wide range of tailored solutions for complex projects combining elements and prefabricated construction. Protective structures, jacking pipes, railway sleepers, and metal products for defense, security, infrastructure, and construction applications.

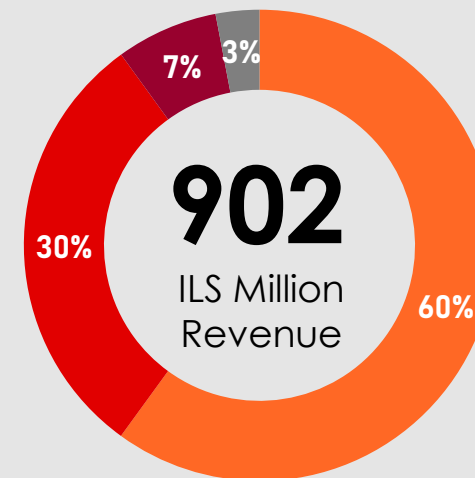


Real Estate Segment

Commercial, industrial and retail properties



2024 Revenue Breakdown



Engineering Industry
Overseas Industry Real Estate



Addressing the Current Challenges

Strengthening Defense and Homeland Security

- Supporting social organizations, national institutions, security forces, and company employees serving in reserves

Solutions for Current Needs

- Supplying advanced protective solutions
- Conversion of production lines to serve the security system's needs
- Continuing investment in prefabricated production capabilities
- Providing prefabricated housing solutions for rebuilding communities in the Gaza envelope and northern Israel

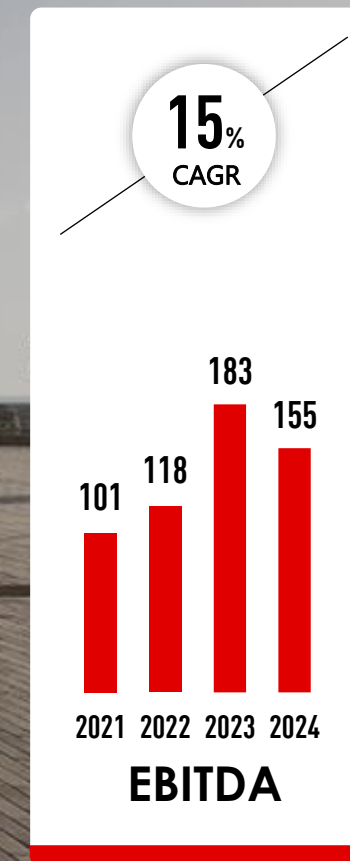
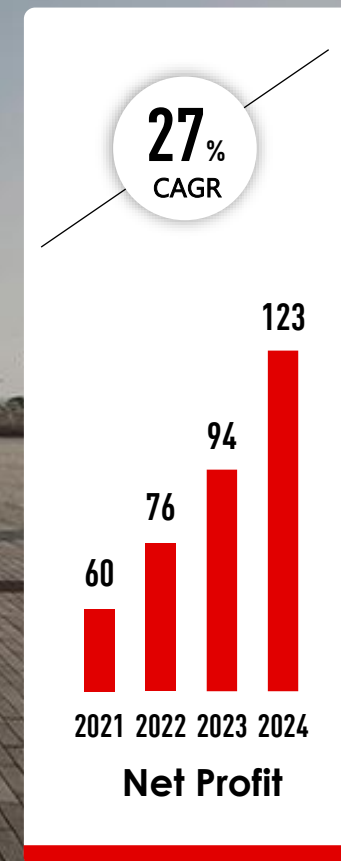
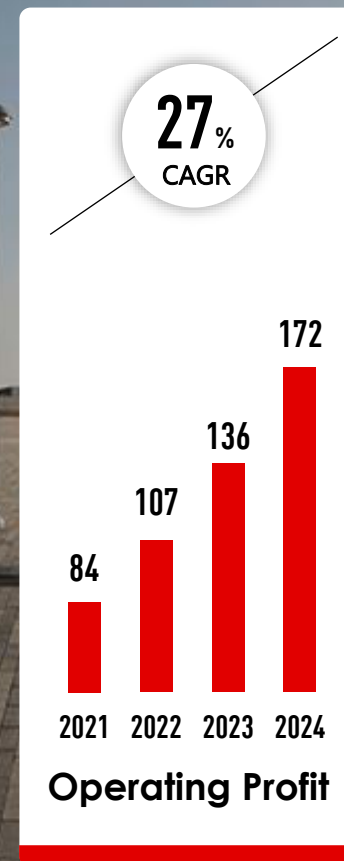
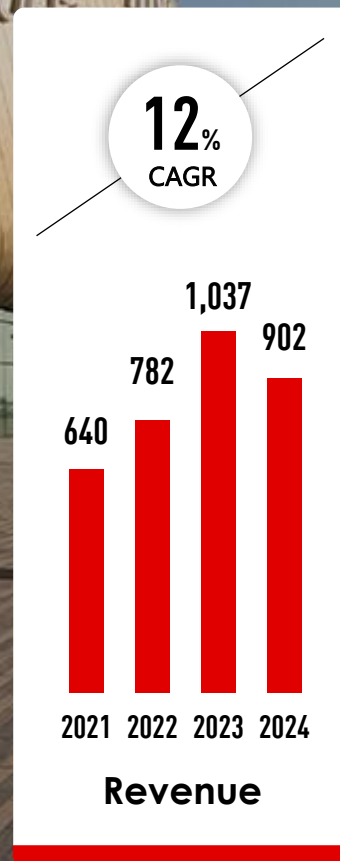
Business Environment Challenges

- Construction and infrastructure sector crisis
- Severe labor shortages in construction causing project delays
- Rising construction costs and high-interest rate environment



2024 Results: Growth in Operating and Net Profit¹

Despite complex period challenges, the company shows double-digit average annual growth (CAGR) across all metrics, reflecting business resilience and increasing demand for protective products and prefabricated construction



1. The amounts presented in the slide are in millions of NIS. The growth referred to in the title is in operating and net profit compared to the results of 2023.

2024

Ackerstein Prepares for the Day After



"Tkuma" Project

Development, manufacturing and construction of residential buildings for Gaza envelope communities in record time of 6 months

Product Range Expansion

Development of new production lines

Strategic Acquisition

To establish market dominance in the steel and iron industry

Strategic Integration of Kalram Ltd. Acquisition

Substantial growth in order backlog driving significant revenue expansion and enhanced market position

The Day After..

Massive Investment in Infrastructure

508
billion NIS

Total cost

**270 Strategic Infrastructure Projects
in the Government's Multi-Year Plan¹**

Funded through Government Allocations, Private Capital, and Public-Private Partnerships

~200
billion NIS

**Budget for ~110
infrastructure projects**

Transportation, sewage and water,
environment, construction, and more

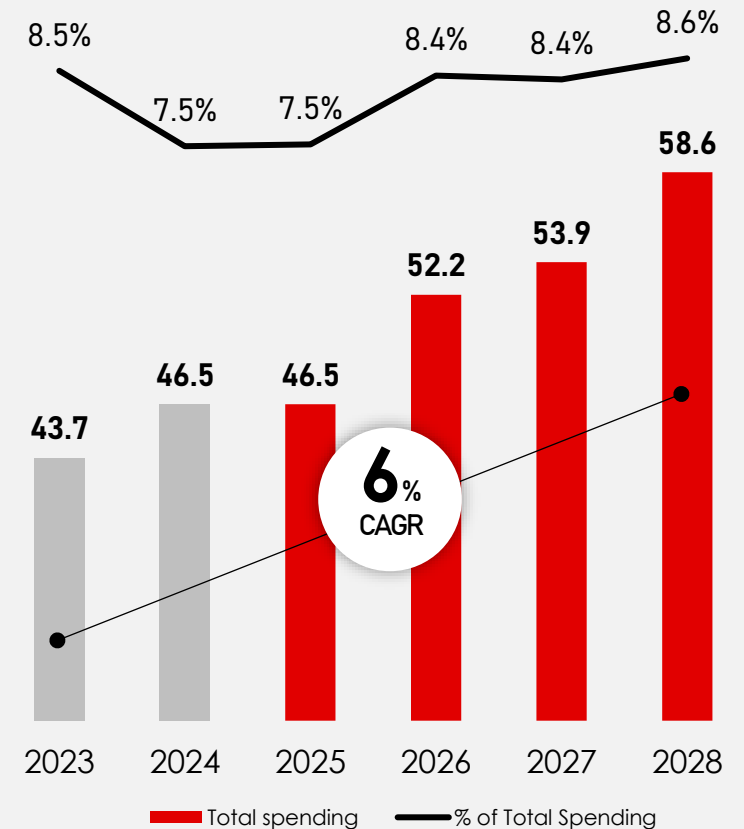
~150
billion NIS

**Cost of underground
railway projects**

~50
billion NIS

**Cost of railway
tracks expansion**

**Expected growth in government spending
on infrastructure²**
(Billions of NIS and % of Total Spending)



1. Source: Infrastructure for Growth 2025, Prime Minister's Office, 23.2.2025 and, Company analysis. Of the 270 projects, 30 have been completed. [Link to source](#)
2. State Budget 2025, Budget Department, [link to data](#)

The Day After..

Strategic Investment in Protective infrastructure

2.5+
billion NIS

Protective infrastructure budgets
along the northern, eastern, and Gaza border areas, including:

7

billion NIS

Building and Infrastructure Budget

According to the five-year plan of the Defense Ministry, 2023-2028

1.2

billion NIS

Accelerated Implementation of "Northern Shield" Project

Construction of 10,000 safe rooms for residents at a height of 1.5 km from the Lebanon border ²

560

million NIS

Dedicated Budget for Protection Projects

For safe rooms in hospitals and public facilities³

1. "Tkuma" Performance Report 1.10.24 [link to report](#)

2. Publication of the Budget Department, 12.2024 [link to publication](#)

3. Source: Infrastructure for Growth 2025, Prime Minister's Office, 23.2.2025 update of the multi-year plan [link](#) and Company analysis

Ackerstein Group

Strength at Every Scale: From Neighborhood Projects to National Infrastructure



Extensive professional knowledge

100 years of experience across diverse projects



Comprehensive Solutions Under One Roof

Diverse products and solutions in high-demand sectors



Advanced production facilities

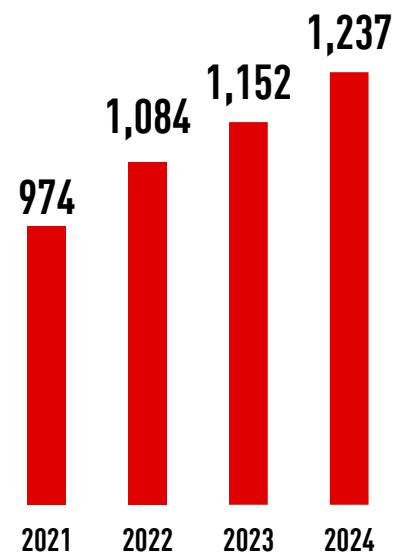
deployed nationwide



Financial strength

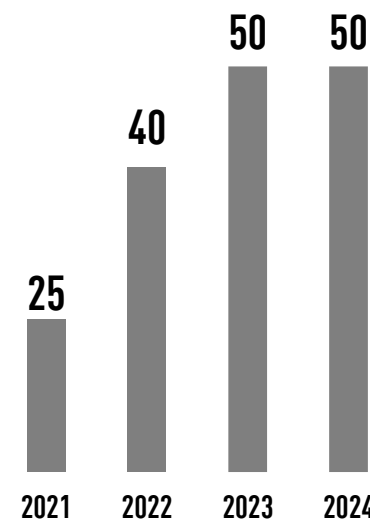
Continuous Innovation for Sustainable Growth

Equity (ILS M)



Dividend (ILS M)

Attributed to profits generated in the years below



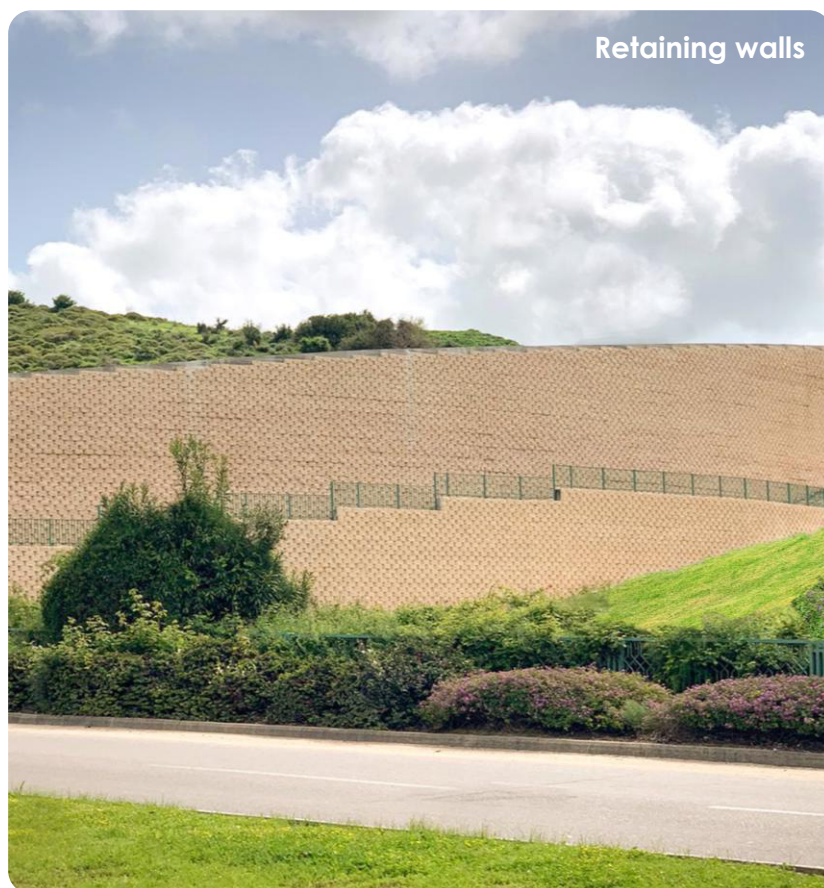
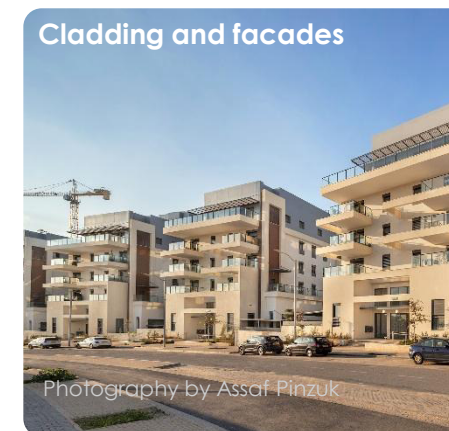


Segments Activity

Industry Sector

The widest range of products for hundreds of public and private projects

Manufacturing, marketing and sales of concrete products for landscape design and, infrastructure products, cladding, roofing tiles, metal infrastructure products, and metal formwork for concrete casting (starting 2025).



Financial Results (millions of NIS)	2024	2023	2022
Revenue	266	366	317
Operating profit	18	63	28
EBITDA	49	93	56

Industry Sector

Strategic focuses to achieve growth



Expansion of Product Range and Production Capabilities

New pipeline

Investment in infrastructure production system

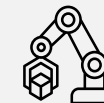


Synergistic Transaction

Leveraging Kalram Ltd.'s Capabilities

January 2025: Acquisition of Av Lev Metal Industries Ltd

Specializing in the production of metal molds for industrialized elements made of concrete for concrete manufacturers and infrastructure and construction contractors



New Categories

End-to-end production elements for construction

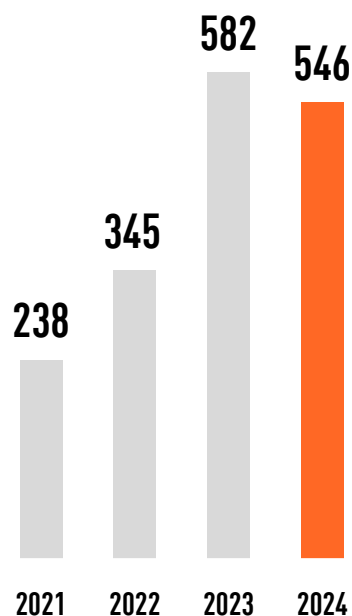
Investment in innovative production systems

Engineering Segment

Profitability growth resulting from increased project volumes in prefabricated construction, project execution, protective systems, and railway sleepers

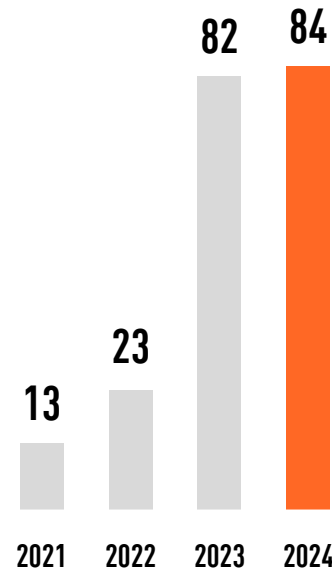


32%
CAGR



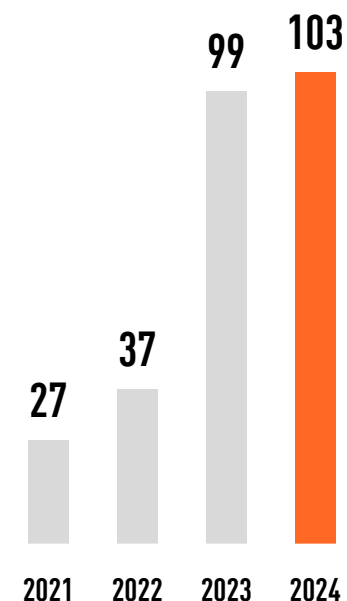
Revenue¹

88%
CAGR



Operating Profit¹

57%
CAGR



EBITDA¹

(1) Amounts in millions of ILS

Customized Solutions for Diverse Projects

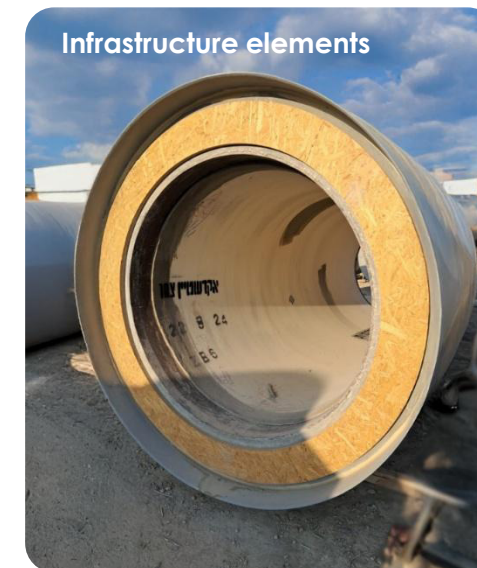
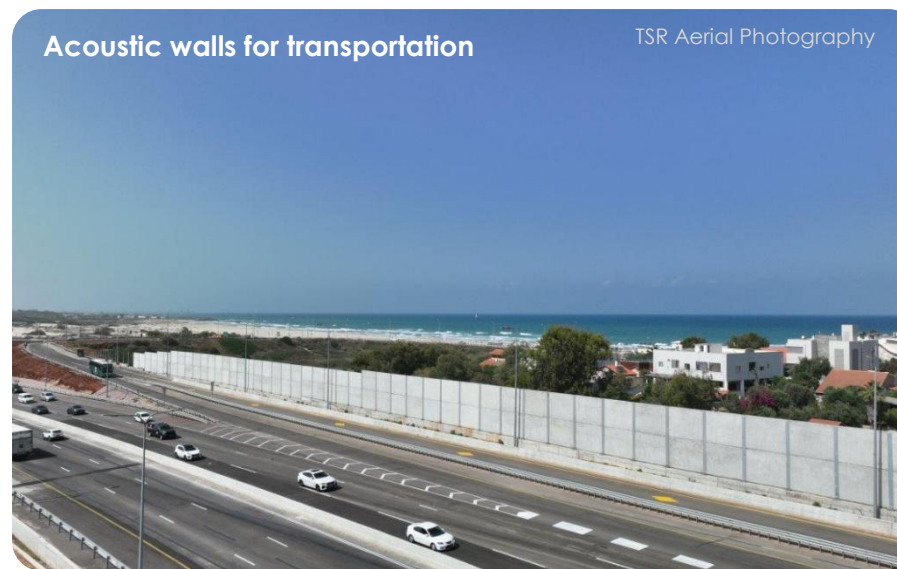
Diverse client base: infrastructure
contractors, developers,
government, and more



Authorized supplier
for the State of Israel



Authorized supplier
for Israel Railways



Engineering Sector

Strategic focuses for continued growth



Expansion of Product Range and Production Capabilities

Expansion of production lines to increase manufacturing capacity and availability in prefabricated construction



Strategic synergy as a competitive lever

Leveraging synergy between concrete and metal solutions to create a comprehensive and unique industry solution



Integrative Turnkey solutions

Proven expertise in civil and defense projects integrating the entire value chain:

From engineering design, through prefabricated element manufacturing, to execution, installation, and delivery of completed projects to clients

Prefabricated Construction: The Key to Accelerating Construction

Speed

35%–40%

Shorter construction time

Safety

60%–70%

Reduction of work accidents

Green

60%–90%

Reduction of construction waste and raw material supply to the construction site

Reduction of noise, pollution, and air contamination

Efficiency

50%–75%

Savings in manpower at the construction site

Higher productivity - 3-4 times
Precise, quality, and reliable construction

Prefabricated Structures – “Tkuma” Project

Photography by Amit Moshe



Transformer rooms



Large residential unit



Wall



Fence



Cladding & facades



Stairs & Shaft



Small residential unit

Tkuma Project in the “Gaza Envelope”

In just **6 months**, **56 villas** were constructed

Leveraging planning capabilities and prefabricated solutions





Vertical Integration in Advanced Metal and Steel Solutions

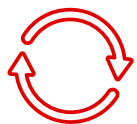
In the industry and engineering
sectors through Kalram Ltd. and
Av Lev Metal Industries Ltd.

Entering New Categories: Construction and Complex Steel Structures



Acquired KALRAM in 2022

KALRAM operates in the field of perimeter protection for the business sector, specializing in complex steel structures & elements



Successful integration and backlog increase

The introduction of Kalram to the market and Ackerstein customers has been a significant contributor to the growth of both revenues and project backlogs



Expanding Capabilities: Acquisition of Av Lev Metal Industries Ltd.

January 2025:
Strategic acquisition
of Av Lev Metal Industries Ltd.

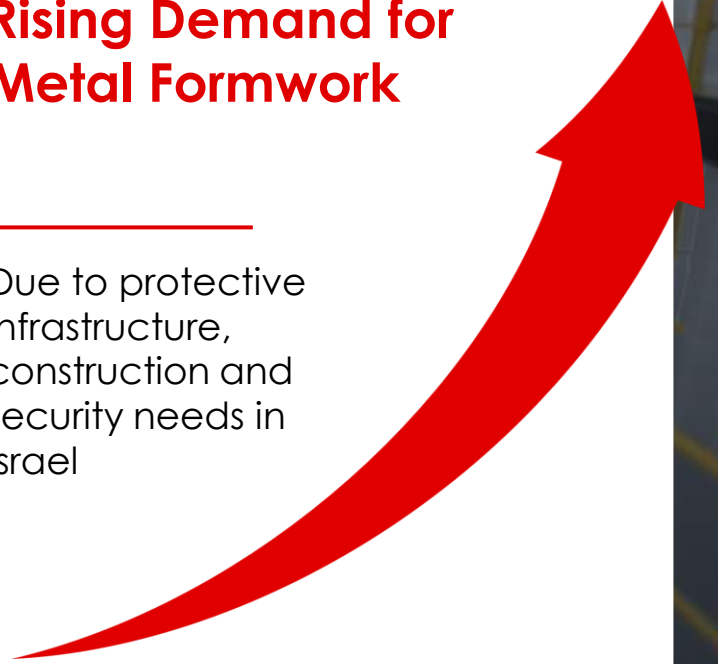
Specializing in the production of metal formwork for concrete element casting such as:
beams, bridge supports, columns, capitals, cornices, etc., for concrete manufacturers and infrastructure and construction contractors

Strong synergy
with engineering and
industry segments

Enhancing capabilities for
prefab construction and
infrastructure development

**Rising Demand for
Metal Formwork**

Due to protective
infrastructure,
construction and
security needs in
Israel



Overseas Industry segment

Results impacted by macroeconomic environment and high interest rates

Anticipating market recovery in 2026

	2024	2023	2022
Revenue \$M	16	16	27
EBITDA \$M	(3.5)	(6.6)	3

Landscape design products production pioneer

Operating in the US West Coast

through subsidiary Aker-stone



Customers

- Distributors with building materials stores, landscape design contractors
- Establishing relationships with leading architectural firms in each region



Diverse commercial and residential projects

- Depends on the execution of projects in the industry
- Influenced by the macroeconomic environment



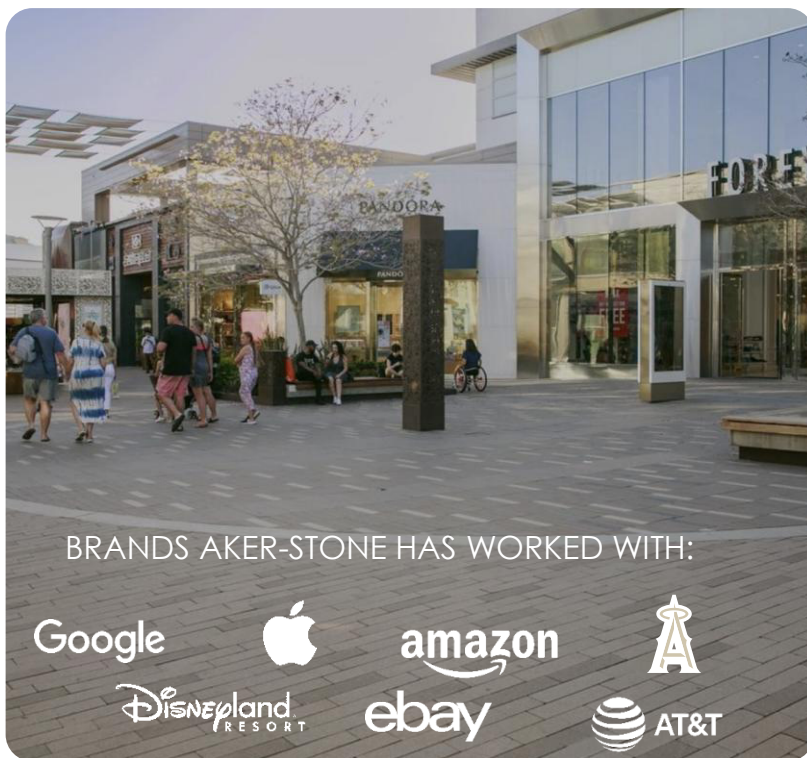
Local production and supply

- Need for high availability and continuous supply of products
- Proximity to the customer



Olympic Opportunity

- Anticipated demand surge for the 2028 Los Angeles Games. City preparations to fuel major infrastructure investments aligned with Ackerstone's products



Real Estate Segment

490 ILS million
Investment properties

577k sq m
In 9 assets
About 364k sq m
classified as
fixed assets

24 ILS million
NOI

86k
sq m
Built

25k
sq m(built)
yielding

5 ILS million
Net Debt
Associated with
real-estate



2024 Real estate value breakdown



2024 Rental revenue³ breakdown



1. Including assets classified as fixed assets of 566 million NIS and 490 million NIS in investment property.
2. Revenue from unrelated third parties.
3. Offices in Herzliya Pituach with an average occupancy rate of 88.7% in 2024.

Ackerstein House:

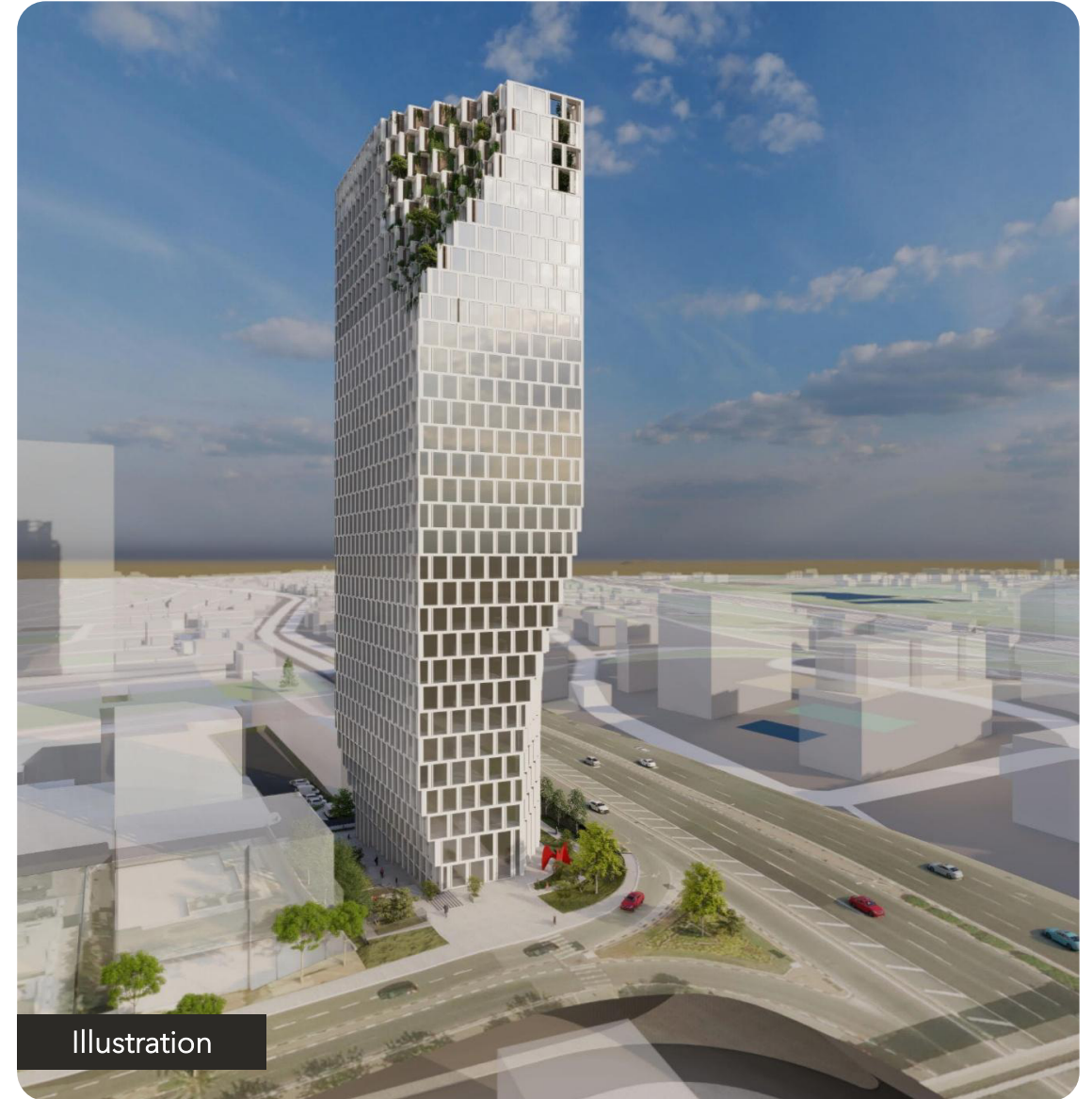
25,000 square meters
of mixed-use space, including:

60 apartments
of 50 square meters each

500 square meters
of commercial space

Status:

The Herzliya Local Committee has decided to deposit the plan promoted by the company for the complex, subject to conditions detailed in the decision. The aforementioned zoning plan has not yet been approved



Illustration

Ackerstein Towers¹

55,000 square meters
of mixed-use space, including:

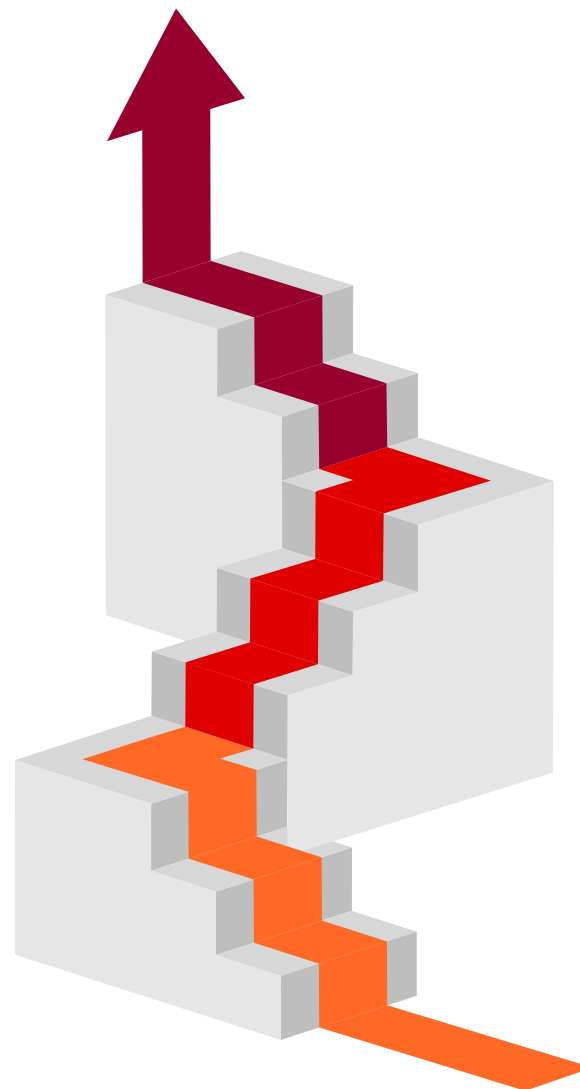
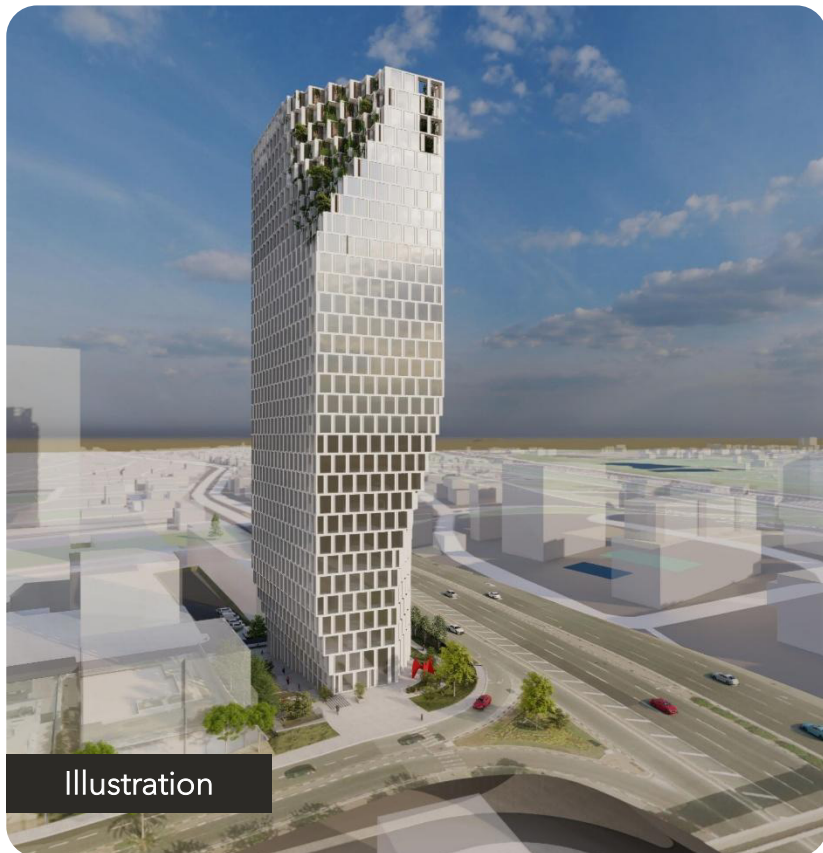
Approx. **160** square residential units

Status: The plan is being advanced in accordance with the guidelines of the employment area master plan.



1) The company's share in future rights is 47%, compared to 42% in current rights.

Potential for growth and value creation



+ **Potential value-add**
Ashdod factory

+ **Value-add**
Ackerstein Towers

+ **Value-add**
Ackerstein House

24

ILS Million
2024 NOI

Financial Data

Q4 2024 and YE 2024



Revenue & EBITDA

Consolidated basis, in thousands ILS

	2024	2023	2022	2021
Revenue	902,353	1,036,962	782,253	640,491
EBITDA	154,759	182,789	117,858	100,713
Net profit	123,497	93,615	75,704	60,337

	Q4 2024	Q4 2023	Q4 2022	Q4 2021
Revenue	241,219	251,541	199,531	171,894
EBITDA	41,523	49,614	37,461	29,863
Net profit	36,379	32,254	42,699	30,061

Industry & Engineering segments				
Revenue	812,404	948,175	661,338	538,285
EBITDA	151,944	192,233	92,840	79,872

Revenue	218,763	231,434	170,346	148,799
EBITDA	42,176	52,324	31,235	27,318

Oversea Industry segment				
Revenue	58,739	59,084	91,867	75,887
EBITDA	(12,909)	(24,501)	10,137	8,359

Revenue	14,810	13,360	21,783	16,622
EBITDA	(4,598)	(5,912)	1,985	(627)

Real Estate segment				
Revenue	31,210	29,703	29,048	26,319
EBITDA	15,724	15,057	14,881	12,482

Revenue	7,646	6,747	7,402	6,473
EBITDA	3,945	3,202	4,241	3,172

Consolidated balance sheet

As of December 31, 2023, and 2024 in million ILS

Current assets:	2024	2023
Cash and cash equivalents	21	134
Short-term investments	59	-
Customers	325	297
Receivables and others	46	39
Inventory	120	118
Total	571	588

Non-current assets		
Right of use asset, net	42	39
Investment properties	490	427
Fixed assets	827	819
Other	15	15
Total	1,374	1,300

Total assets	1,945	1,888
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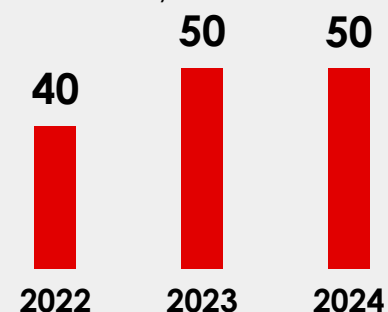
Current liabilities	2024	2023
Credit from banks	30	42
Lease current liabilities	10	7
Trade payables	115	140
Other current liabilities	202	178
Total	357	367

Non-current liabilities		
Liabilities to banks	75	101
Lease liabilities	34	35
Liabilities with respect to other benefits after employment termination	4	4
Deferred taxes, net	238	229
Total non-current liabilities	351	369

Equity	1,237	1,152
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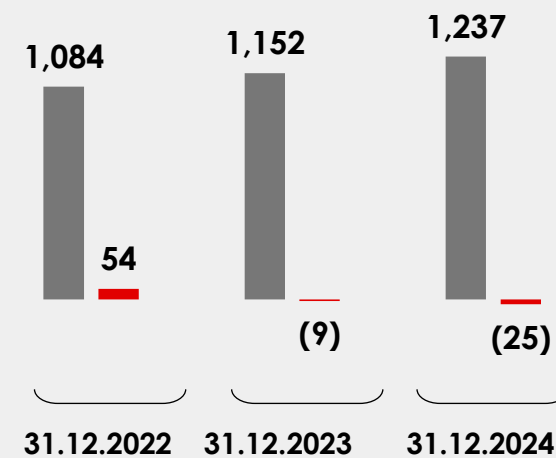
Total liabilities and equity	1,945	1,888
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Dividend (ILS M)
Attributed to profits generated
in the years below



Equity and Net Debt development (ILS M)

■ Equity ■ Financial Asset (Debt)





"The Day After" Solutions

Comprehensive products and solutions across the entire value chain

Nationwide deployment of advanced production facilities

Maximizing project scope for construction and infrastructure projects

Significant Market Opportunities for the Company's Offerings

Expanding product range with new production lines

Growing operations through Kalam Ltd. and Av Lev Metal Industries Ltd. acquisitions

Product innovation aligned with market needs

Financial Resilience to Support Future Growth

Strong and stable cash flow

Low leverage

Dividend distribution policy - not less than 50% of net income*

* Net profit without revaluation of real estate investment
Image: Blue Marina in Ashdod, Giler Lederman Architects

ACKERSTEIN
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Thank you!

Piazza Plaza Ashkelon

100
שנים
אקדשטין
מסורת של חדשנות