

**Tempo Beverages Ltd.
and its Subsidiaries**

**Condensed Consolidated Interim
Financial Statements**

As of March 31, 2025

**Condensed Consolidated Interim Financial Statements
For the Period Ended March 31, 2025 (Unaudited)**

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Condensed Consolidated Interim Statement of Financial Position

(In Thousands of New Israeli Shekels)

Reported Amounts

	March 31 2025	March 31 2024	December 31 2024
	(Unaudited)	(Unaudited)	(Audited)
Current assets			
Cash and cash equivalents	36,229	34,773	35,493
Trade receivables	522,712	472,195	486,471
Other receivables	57,874	55,903	56,468
Derivatives instruments	5,321	1,151	-
Inventory	471,787	495,149	476,326
Current tax assets	4,126	12,118	11,656
Total current assets	1,098,049	1,071,289	1,066,414
Long-term loans and receivables	23,740	21,129	18,907
Fixed assets	884,976	840,972	899,597
Intangible assets	110,236	113,128	112,037
Investments in equity accounted investees companies	78,017	62,920	75,275
Investments measured at fair value	15,692	11,951	15,613
Inventory in process	5,624	4,014	4,817
Deferred tax assets	12,989	11,082	12,867
Total long-term assets	1,131,274	1,065,196	1,139,113
Total assets	2,229,323	2,136,485	2,205,527

Condensed Consolidated Interim Statement of Financial Position (cont'd)(In Thousands of New Israeli Shekels)
Reported Amounts

	March 31 2025 (Unaudited)	March 31 2024 (Unaudited)	December 31 2024 (Audited)
Current Liabilities			
Short-term credit from banks and others	411,990	453,985	385,218
Trade payables	358,405	323,289	371,689
Other payables	216,449	173,177	147,438
Derivatives instruments	1,767	2,411	7,368
Current maturities of debentures	22,220	41,900	22,659
Current maturities of liabilities in respect of leasing	46,270	33,588	45,528
Current taxes liabilities	2,230	1,570	4,361
Total current liabilities	1,059,331	1,029,920	984,261
Non-current Liabilities			
Liabilities to banking institutions	4,806	17,386	7,749
Other Long-term liabilities	2,857	12,151	2,799
Long-term liabilities in respect of leasing	145,867	113,278	151,810
Debentures	66,199	88,261	88,366
Deferred tax liabilities	70,883	66,686	70,446
Employee benefits	7,159	6,166	6,832
Total non-current liabilities	297,771	303,928	328,002
Total liabilities	1,357,102	1,333,848	1,312,263
Equity			
Non-controlling interest	1,041	1,498	1,040
Share capital	1	1	1
Share premium	147,334	147,334	147,334
Translation reserve	3,614	3,149	(106)
Retained earnings	720,231	650,655	744,995
Total equity attributable to equity holders of the parent company	871,180	801,139	892,224
Total equity	872,221	802,637	893,264
Total liabilities and equity	2,229,323	2,136,485	2,205,527

Jacques Beer
Chairman of the
Board

Daniel Beer
CEO

Amir Bornstien
Deputy Chairman of the
Board

Eyal Tregerman
CFO

Date financial statements confirmed: May 26, 2025

Condensed Consolidated Interim Statement of Operation

(In Thousands of New Israeli Shekels)

Reported Amounts

	For the three months ended March 31		For the year ended December 31
	2025	2024	2024
	(Unaudited)	(Unaudited)	(Audited)
Revenues from sales, net	604,108	557,373	2,505,293
Cost of sales	410,363	396,061	1,715,080
Gross profit	193,745	161,312	790,213
Selling and marketing expenses	(118,505)	(103,586)	(478,655)
General and administrative expenses	(34,134)	(30,073)	(122,276)
Other income	248	741	3,674
Other expenses	(866)	(4,000)	(6,505)
Operating profit	40,488	24,394	186,451
Financing income	6,801	4,122	4,274
Financing expenses	(12,276)	(9,407)	(41,673)
Financing expenses, net	(5,475)	(5,285)	(37,399)
Share of profits of equity accounted investees companies	(675)	(1,052)	(5,944)
Profit before taxes on income	34,338	18,057	143,108
Tax on income	(9,121)	(4,700)	(36,491)
Profit for the period	25,217	13,357	106,617
Attributable to:			
Equity holders of the Company	25,216	13,523	107,241
Non-controlling interest	1	(166)	(624)
	25,217	13,357	106,617

Condensed Consolidated Interim Statement of comprehensive Income

(In Thousands of New Israeli Shekels)

Reported Amounts

	For the three months ended March 31		For the year ended December 31
	2025	2024	2024
	(Unaudited)	(Unaudited)	(Audited)
Profit for the period	<u>25,217</u>	<u>13,357</u>	<u>106,617</u>
Components of the other comprehensive income after initial recognition were or will be carried to profit and loss:			
Foreign currency translation differences in respect of foreign operations	3,720	(1,223)	(4,478)
Components of the other comprehensive income not carried to profit and loss:			
Actuarial gains from defined benefit plan, net of tax	<u>20</u>	<u>223</u>	<u>845</u>
Other comprehensive gains (loss), net of tax	<u>3,740</u>	<u>(1,000)</u>	<u>(3,633)</u>
Total comprehensive income for the period	<u>28,957</u>	<u>12,357</u>	<u>102,984</u>
Comprehensive income (loss) attributable to:			
Equity holders of the Company	28,956	12,523	103,608
Non-controlling interests	<u>1</u>	<u>(166)</u>	<u>(624)</u>
Total comprehensive income for the period	<u>28,957</u>	<u>12,357</u>	<u>102,984</u>

Condensed Consolidated Interim Statement of Changes in Equity

(In Thousands of New Israeli Shekels)

Reported Amounts

	Attributable to equity holders of the Company					Minority interest	Total equity
	Share capital	Share premium	Translation reserve	Retained earnings	Total		
For the three months ended March 31, 2025 (Unaudited)							
Balance as at January 1, 2025	1	147,334	(106)	744,995	892,224	1,040	893,264
Dividend declared	-	-	-	(50,000)	(50,000)	-	(50,000)
Foreign currency translation differences in respect of foreign operations	-	-	3,720	-	3,720	-	3,720
Actuarial gains from defined benefit plan, net of tax	-	-	-	20	20	-	20
Profit for the period	-	-	-	25,216	25,216	1	25,217
Balance as at March 31, 2025	1	147,334	3,614	720,231	871,180	1,041	872,221
For the three months ended March 31, 2024 (Unaudited)							
Balance as at January 1, 2024	1	147,334	4,372	667,408	819,115	2,337	821,452
Dividend declared	-	-	-	(30,000)	(30,000)	-	(30,000)
Foreign currency translation differences in respect of foreign operations	-	-	(1,223)	-	(1,223)	-	(1,223)
Actuarial gains from defined benefit plan, net of tax	-	-	-	223	223	-	223
Purchase of non-controlling interests	-	-	-	(499)	(499)	(673)	(1,172)
Profit (losses) for the period	-	-	-	13,523	13,523	(166)	13,357
Balance as at March 31, 2024	1	147,334	3,149	650,655	801,139	1,498	802,637
For the year ended December 31, 2024 (audited)							
Balance as at January 1, 2024	1	147,334	4,372	667,408	819,115	2,337	821,452
Dividend paid	-	-	-	(30,000)	(30,000)	-	(30,000)
Foreign currency translation differences in respect of foreign operations	-	-	(4,478)	-	(4,478)	-	(4,478)
Actuarial gains from defined benefit plan, net of tax	-	-	-	845	845	-	845
Purchase of non-controlling interests	-	-	-	(499)	(499)	(673)	(1,172)
Profit for the year	-	-	-	107,241	107,241	(624)	106,617
Balance as at December 31, 2024	1	147,334	(106)	744,995	892,224	1,040	893,264

Condensed Consolidated Interim Statement of Cash Flows(In Thousands of New Israeli Shekels)
Reported Amounts

	For the three months ended March 31		For the year ended December 31
	2025	2024	2024
	(Unaudited)	(Unaudited)	(Audited)
Cash flows from operating activities			
Profit for the period	25,217	13,357	106,617
Adjustments:			
Depreciation and amortization	39,724	38,364	170,989
Share of Company in losses of equity-accounted investee Companies	675	1,052	5,944
Gain on revaluation of investment, net	-	-	3,607
Financing expenses, net	8,395	9,373	38,061
Capital losses (gains) from sale of fixed assets, net	945	(195)	813
Tax expenses on income	9,121	4,700	36,491
	84,077	66,651	362,522
Change in inventory	5,264	36,922	53,179
Change in trade receivables and other receivables	(37,555)	(67,406)	(86,194)
Change in trade payables and other payables	(760)	49,136	97,077
Changes in employee benefits	353	467	1,941
	(32,698)	19,119	66,003
Income tax paid	(3,445)	(6,101)	(32,819)
Net cash provided by operating activities	47,934	79,669	395,706
Cash flows from investing activities			
Acquisition of subsidiaries net of cash received	-	-	115
Investment in investee companies and partnerships	(3,875)	(515)	(1,022)
Payment of deferred consideration in respect of acquisition of subsidiary	-	-	(9,405)
Loans granted to investee companies	(1,006)	(1,493)	(9,829)
Repayment of loans granted to investee companies	1,751	13,492	12,930
Investment in companies measured at fair value	(28)	(549)	(3,529)
Proceeds from sale of fixed assets	311	487	3,085
Acquisition of fixed assets	(15,851)	(29,038)	(116,830)
Acquisition of intangible assets	(462)	(505)	(7,113)
Investment in long-term receivables	(11,164)	(4,109)	(20,725)
Receipts of investment in long-term receivables	2,456	2,483	9,759
Net cash used in investing activities	(27,868)	(19,747)	(142,564)
Cash flows from financing activities			
Short-term credit, net	26,795	(18,441)	(88,837)
Distributed dividend	-	-	(30,000)
Acquisition of non-controlling interests	-	-	(1,172)
Repayment of debentures	(22,220)	(22,220)	(41,744)
Long-term loans from bank	-	5,570	5,570
Repayment of long-term bank loans	(3,263)	(3,291)	(12,992)
Repayment of principle of liabilities in respect of leasing	(12,113)	(11,661)	(44,962)
Repayment of other long-term liabilities	(35)	(35)	(140)
Interest paid	(8,763)	(9,746)	(37,853)
Net cash used in financing activities	(19,599)	(59,824)	(252,130)
Net change in cash and cash equivalents	467	98	1,012
Cash and cash equivalents as at the beginning of period	35,493	34,710	34,710
Impact of exchange rate fluctuations on balance of cash and cash equivalents	269	(35)	(229)
Cash and cash equivalents as at the end of the period	36,229	34,773	35,493

Condensed Consolidated Interim Segment Reporting

(In Thousands of New Israeli Shekels)

Sectoral Reporting

	Light alcoholic beverages		Alcoholic beverages		Barkan		Non-alcoholic beverages		Other		Consolidated	
	For the three months ended March 31											
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(unaudited)											
Segmental revenue	<u>90,073</u>	93,343	<u>101,686</u>	116,424	<u>65,904</u>	56,345	<u>305,608</u>	250,257	<u>40,837</u>	41,004	<u>604,108</u>	557,373
gross profit	<u>35,290</u>	29,859	<u>18,510</u>	19,136	<u>22,597</u>	20,313	<u>108,917</u>	85,143	<u>8,431</u>	6,861	<u>193,745</u>	161,312
Segmental results	<u>15,726</u>	9,599	<u>10,318</u>	14,048	<u>13,832</u>	13,056	<u>34,530</u>	22,294	<u>834</u>	(1,271)	<u>75,240</u>	57,726
Unallocated expenses											<u>(34,752)</u>	(33,332)
Operating profit											<u>40,488</u>	24,394
Net financing expenses											<u>(5,475)</u>	(5,285)
Share of Company in losses of equity-accounted investee companies											<u>(675)</u>	(1,052)
Taxes on income											<u>(9,121)</u>	(4,700)
Profit for the period											<u>25,217</u>	13,357

Condensed Consolidated Interim Segment Reporting (cont'd)

(In Thousands of New Israeli Shekels)

Sectoral Reporting (Cont.)

	Light alcoholic beverages	Alcoholic beverages	Barkan	Non- alcoholic beverages	Others	Consolidated
	For the year ended December 31, 2024					
	(Audited)					
Segment revenue	<u>449,506</u>	<u>415,850</u>	<u>192,734</u>	<u>1,289,253</u>	<u>157,950</u>	<u>2,505,293</u>
gross profit	<u>162,670</u>	<u>75,391</u>	<u>66,122</u>	<u>463,508</u>	<u>22,522</u>	<u>790,213</u>
Segmental results	<u>71,665</u>	<u>48,960</u>	<u>37,019</u>	<u>164,853</u>	<u>(10,939)</u>	311,558
Unallocated expenses						<u>(125,107)</u>
Operating profit						186,451
Net financing expenses						(37,399)
Share of Company in losses of equity- accounted investee companies						(5,944)
Taxes on income						<u>(36,491)</u>
Profit for the year						<u>106,617</u>