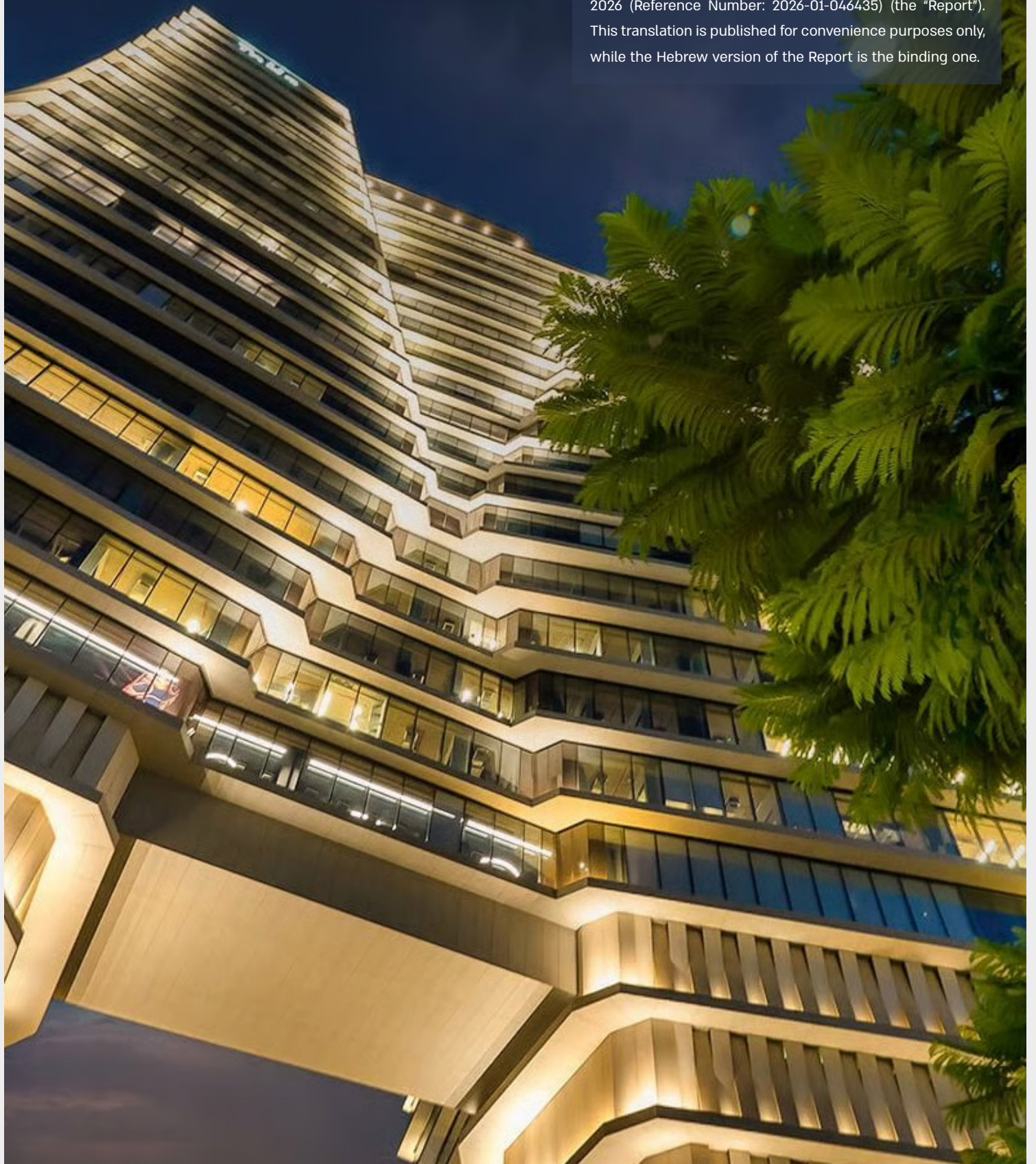


This document is an unofficial translation of the Company's Board of Directors' Report and certain parts of its First quarter of 2026 Financial Statement (main reports without notes) from the original report in Hebrew dated May 20, 2026 (Reference Number: 2026-01-046435) (the "Report"). This translation is published for convenience purposes only, while the Hebrew version of the Report is the binding one.

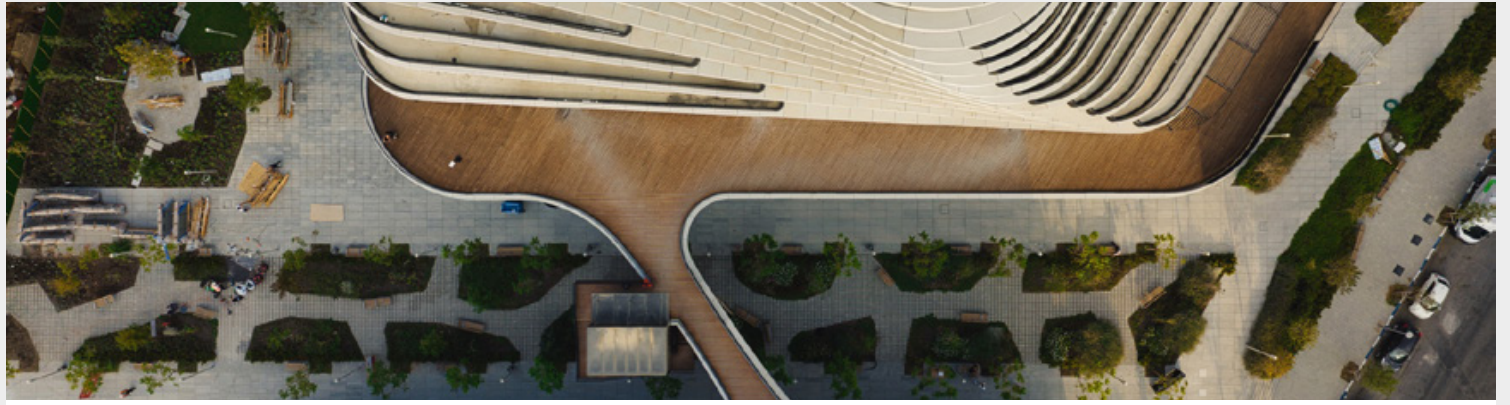


TOHA 1 / AMOT / TEL AVIV

# QUARTERLY REPORT AS OF MARCH 31, 2026

ALONY HETZ PROPERTIES & INVESTMENTS LTD





Board of Directors' Report on the State of Corporate Affairs

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Consolidated Financial Statements

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QUARTERLY REPORT AS OF MARCH 31, 2026

ALONY HETZ PROPERTIES & INVESTMENTS LTD





TOHA II / AMOT / TEL AVIV

# BOARD OF DIRECTORS' REPORT ON THE STATE OF CORPORATE AFFAIRS

ALONY HETZ PROPERTIES & INVESTMENTS LTD



## Board of Directors' Report for the Three Month Period ended March 31, 2026

The Board of Directors of Alony-Hetz Properties and Investments Ltd. (hereinafter: the "**Company**") is pleased to submit the Company's Board of Directors' Report for the three-month period ended March 31, 2026 (hereinafter - the "**Reporting Period**"). This Board of Directors' Report and its updates were prepared on the assumption that the reader has access to the Company's periodic report for the year 2025, which the Company published on March 18, 2026 (Ref: 2026-01-023715), including the "Description of the Corporation's Business" chapter, the "Report of the Board of Directors on the Status of the Corporation's Business", "Additional Information on the Corporation" and the "Consolidated Financial Statements" (hereinafter, collectively - the "**2025 Periodic Report**").

### 1. Concise description of the Group

The Company and its consolidated companies (hereinafter - the "**Group**") have two areas of activity:

- **Main area of activity** - long-term investments in income-generating property companies in Israel and in western countries. As of the publication date of this report, the Group operates in the following markets: Israel, the United States, and the UK.
- **Additional area of activity** - investment in renewable energies. The Group has income-generating investments in the photovoltaic energy and wind energy sectors, as well as in the development and initiation of electricity generating and storage facilities in Israel, Poland and in the United States.

#### 1.1 The Group's main income-generating property investments as of March 31, 2026:

##### Activity in Israel

Holdings at a rate of 49.99% in Amot Investments Ltd. (hereinafter - "**Amot**"), a publicly traded income-generating property company whose securities are listed on the Tel Aviv Stock Exchange Ltd. For additional information, see Section 2.3.6 below.

##### Activity in the United States

- Effective holdings at a rate of 79.79% (as of the date of publication of the report - 80.75%) in the capital of Carr Properties (hereinafter - "**Carr**"), an American partnership that holds income-generating property, whose properties are all located in the United States, in the Washington D.C. metropolitan area and in Boston. For further details, see Section 2.3.4 below.

##### Activity in the UK

- A holding rate of 85.21% in Brockton Everlast Inc. Limited (hereinafter - "**BE**"), a private company engaged in the purchase, development and betterment, construction, management and maintenance of income-generating property in the London, Cambridge and Oxford metropolitan areas in the UK. For additional information, please see Section 2.3.5 below.

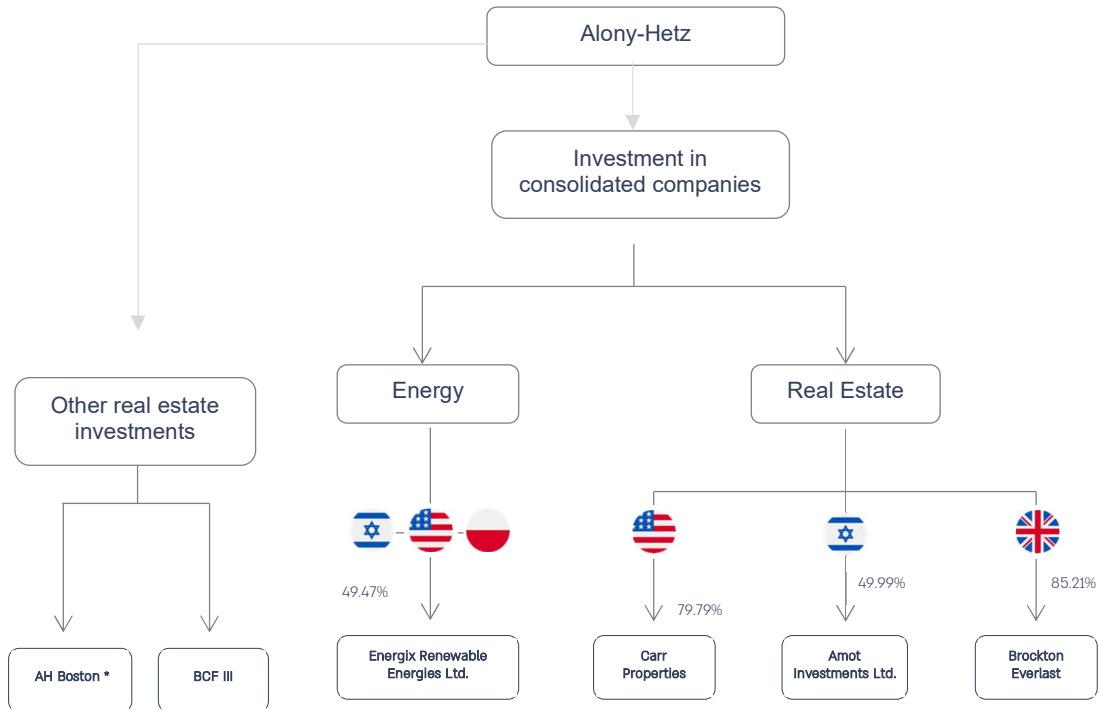
#### Main investments in the income-generating property segment

- Holdings at a rate of 55% of the equity rights and 50% of the control in three property companies in the Boston metropolitan area. Two of the properties are in the Boston CBD and one is in East Cambridge.
- Holdings in a UK income-generating real estate fund of the Brockton Group - (hereinafter - BCF III).

#### 1.2 The Group's renewable energy investments as of March 31, 2026:

Holdings of 49.47% in Energix - Renewable Energies Ltd. (hereinafter - "**Energix**"), a public company whose securities are listed for trading on the Tel Aviv Stock Exchange Ltd. Energix engages in the initiation, development, financing, construction, management and operation of facilities for the electricity generation from renewable energy sources, storage and sale of electricity generated in these facilities, with the intention of holding them for the long term. As of the date of the report, Energix has operations in Israel, the United States, Poland and Lithuania. For additional information, please see Section 2.3.6 below.

1.3 The following are the Group's main holdings as of March 31, 2026:



\* Joint holdings with Oxford Properties in three property companies that own office buildings and a laboratory building in Boston. The Company and Oxford Properties have a joint control agreement.

1.4 Stock Market Indices

The Company's shares are traded on the Tel Aviv Stock Exchange Ltd. (hereinafter - the "TASE"). The main stock market indices to which the Company's securities belong are: TA-90, TA-125, TEREAL, TA-Investment Properties in Israel, Tel-Div, the various TelBond indices, TA 125 - Fossil-Fuel-Free Climate index and the Tel Aviv - Maala index.

## 1.5 Main events from the beginning of 2026 to the date of publication of the report:

|   |   |
|---|---|
| <b>Alony-Hetz<br/>(the Company<br/>expanded solo)</b> | <ul style="list-style-type: none"> <li>▪ Debt raising through the expansion of bonds (Series Q) in the amount of NIS 335 million PV for a total net consideration of approx. NIS 353 million.</li> <li>▪ Extension of credit facilities with banking institutions in a total amount of NIS 400 million.</li> </ul>  |
| <b>Carr Properties</b>                                | <ul style="list-style-type: none"> <li>▪ Acquisition of a Class A office building (1401 New York Ave.) located in Washington, D.C., in partnership with an American institutional investor (Carr's share - 25%) for USD 85 million.</li> <li>▪ Addition of an American institutional investor (75%) to a project for the construction of rental apartments at 3033 Wilson in Northern Virginia for USD 31 million.</li> </ul>   |
| <b>Energix</b>  | <ul style="list-style-type: none"> <li>▪ Acquisition transactions completed for projects in Lithuania with a total capacity of approx. 626 MW (approx. 226 MW wind and up to 400 MWp photovoltaic) and approx. 340 MWh (storage).</li> <li>▪ Acquisition of photovoltaic projects in the United States with a total capacity of approx. 290 MWp 6E project backlog.</li> <li>▪ Increased backlog of projects in Poland with a capacity of approx. 0.6 GWh (storage).</li> <li>▪ Completion of project financing and tax partner investment for an additional project with a capacity of 152 MWp E5 battery in the United States in the amount of up to USD 236 million.</li> <li>▪ For information regarding the provision for impairment to be recognized during the second quarter of 2026 in the amount of up to NIS 200 million in the ARAN project, please see Section 2.3.6.2 below.</li> </ul> |

## 1.6 Summary of the main data - the Group

| <b>Main financial results - Consolidated Statements</b>                        | <b>Unit</b>   | <b>Q1/2026</b> | <b>Q1/2025</b> | <b>2025</b> | <b>% Change<sup>1</sup></b> |
|--|---------------|----------------|----------------|-------------|-----------------------------|
| Revenue from rental fees and management of investment property                 | NIS thousands | 493,558        | 349,134        | 1,668,831   | 41.4                        |
| Fair value adjustments of investment property                                  | NIS thousands | (16,346)       | 7,225          | 385,136     | -326.2                      |
| Group share in the profits (losses) of associates, net                         | NIS thousands | 15,990         | 53,126         | (40,461)    | -69.9                       |
| Revenues from sale of electricity and green certificates                       | NIS thousands | 185,372        | 169,293        | 755,665     | 9.5                         |
| Profit For the Period  | NIS thousands | 198,628        | 164,956        | 545,152     | 20.4                        |
| Profit for the period attributed to Company shareholders                       | NIS thousands | 76,536         | 66,974         | 7,439       | 14.3                        |
| Comprehensive income (loss) for the period, attributed to Company shareholders | NIS thousands | 26,641         | 209,475        | (22,136)    | (87.3)                      |
| Total balance sheet  | NIS thousands | 46,319,325     | 40,755,400     | 47,327,456  | -2.1                        |
| Equity (including non-controlling interests)                                   | NIS thousands | 13,026,034     | 11,817,344     | 13,089,187  | -0.5                        |
| Financial debt (bank credit and bonds) <sup>2</sup>                            | NIS thousands | 27,196,598     | 22,954,440     | 27,810,470  | -2.2                        |
| Net financial debt <sup>3</sup>  | NIS thousands | 26,463,438     | 22,122,424     | 25,721,420  | 2.9                         |
| Ratio of net financial debt to total balance sheet <sup>4</sup>                | %             | 58.1           | 56.4           | 56.9        | 41.4                        |
| <b>Main financial results - Expanded Solo<sup>5</sup></b>                      |               |                |                |             |                             |
| Total balance sheet  | NIS thousands | 11,412,616     | 11,057,932     | 11,845,001  | (3.7)                       |
| Equity attributed to Company shareholders                                      | NIS thousands | 5,587,274      | 5,572,385      | 5,608,853   | (.4)                        |
| Financial debt (bank credit and bonds) <sup>2</sup>                            | NIS thousands | 5,666,057      | 5,392,505      | 6,089,326   | (7.0)                       |
| Net financial debt <sup>3</sup>  | NIS thousands | 5,647,874      | 5,294,042      | 5,714,654   | (1.2)                       |
| Ratio of net financial debt to total balance sheet <sup>4</sup>                | %             | 49.6           | 48.3           | 49.8        | (3.7)                       |
| <b>Earnings (loss) per share data</b>  |               |                |                |             |                             |
| Earnings per share – basic   | NIS           | 0.34           | 0.31           | 0.03        | 9.1                         |
| Comprehensive income (loss) per share - basic                                  | NIS           | 0.12           | 0.97           | (.1)        | (87.9)                      |
| Current dividend per share   | NIS           | 0.25           | 0.24           | 0.96        | 4.2                         |
| NAV per share  | NIS           | 24.70          | 25.91          | 24.81       | (.5)                        |
| <sup>6</sup> NNAV per share  | NIS           | 29.12          | 30.47          | 29.02       | .3                          |
| Price per share at end of period   | NIS           | 33.75          | 29.00          | 39.20       | (13.9)                      |

1. Balance sheet data of March 31, 2026 compared to December 31, 2025. Result data of 1-3/2026 compared to 1-3/2025.

2. Financial debt also includes assets/liabilities of derivative transactions carried out by the Group.

3. Financial debt presented net of cash balances. The Company's financial debt (expanded solo) as of March 31, 2026 is the financial debt less cash balances. For information regarding the adjusted leverage rate, please see Section 2.4.3 below.

4. Net financial debt as a percent of total balance sheet, less cash balances. The Company's net financial debt (expanded solo) as of March 31, 2026 is the financial debt less cash balances. For information regarding the adjusted leverage rate, please see Section 2.4.3 below.

5. In the expanded solo balance sheet, the investment in Amot, Energix, Carr and BE is presented on an equity basis instead of the consolidation of their statements with the Company's statements (the remaining investments are presented unchanged in the statement presented in accordance with IFRS principles).

6. When calculating the NNAV per share, the Company's tax reserves (expanded solo) were neutralized, as was the Company's share in the tax reserves of investees.

## 1.7 Summary of the main data - Investees

|   |               | Q1/2026    | Q1/2025    | 2025       |
|---|---------------|------------|------------|------------|
| <b>Investment in Israel - Amot Investments Ltd. (rate of holdings - 49.99%)<sup>7</sup></b>       |               |            |            |            |
| Number of income-generating properties  | Unit          | 111        | 112        | 111        |
| Value of investment property (not including property in development)                              | NIS thousands | 17,762,473 | 17,316,751 | 17,726,465 |
| Fair value adjustment   | NIS thousands | -          | 13,287     | 332,457    |
| Weighted discount rate derived from investment property   | %             | 6.30       | 6.40       | 6.33       |
| Occupancy rate at end of period <sup>8</sup>  | %             | 92.2       | 93.2       | 93.3       |
| Value of investment property in development   | NIS thousands | 3,896,061  | 3,506,985  | 3,781,206  |
| Ratio of net financial debt to total balance sheet  | %             | 43.6       | 45.0       | 42.6       |
| NOI <sup>9</sup>  | NIS thousands | 269,356    | 264,327    | 1,059,707  |
| FFO - according to the Management's approach  | NIS thousands | 187,824    | 202,327    | 803,688    |
| NAV per share   | NIS           | 19.80      | 19.28      | 19.96      |
| Price per share at end of period  | NIS           | 19.23      | 17.96      | 25.00      |
| <b>Investment in the United States - Carr Properties (rate of holdings - 79.79%)<sup>10</sup></b> |               |            |            |            |
| Number of income-generating properties  | Unit          | 8          | 12         | 7          |
| Value of investment property (not including property in self-development)                         | USD thousands | 1,678,414  | 2,006,740  | 1,648,639  |
| Fair value adjustment   | USD thousands | (4,226)    | 12,706     | (13,833)   |
| Rental rate   | %             | 93.00      | 88.20      | 92.60      |
| Number of properties in development   | Unit          | 3          | 2          | 3          |
| Value of self-developed properties  | USD thousands | 45,648     | 33,647     | 64,769     |
| Ratio of net financial debt to total balance sheet  | %             | 61.7       | 62.6       | 61.9       |
| <sup>11</sup> NOI   | USD thousands | 30,575     | 38,835     | 136,852    |
| FFO - according to the Management's approach  | USD thousands | 12,548     | 18,008     | 56,962     |

7. The main figures for Amot are from the Amot's expanded consolidated financial statements published in Amot's Board of Directors' Report (hereinafter - "Amot's Pro Forma Reports"). Amot's Pro Forma Reports are Amot's reports presented according to IFRS principles, with the exception of the implementation of IFRS 11 "Joint Arrangements", which came into effect on January 1, 2013. In Amot's Pro Forma Reports, the investments in investees, presented based on the equity method in Amot's Financial Statements, are neutralized and presented according to the relative consolidation method, similar to their treatment prior to IFRS coming into effect.

8. Without a property realized subsequent to the balance sheet date.

9. Net operating income.

10. The financial data presented above includes Carr's economic share in its assets and liabilities and those of all its investees, including of companies that are not consolidated in its financial statements prepared in accordance with IFRS principles.

11 Including NOI from property management.

## 1.8 Summary of the main data - Investees (continued)

|   |               | Q1/2026   | Q1/2025   | 2025      |
|---|---------------|-----------|-----------|-----------|
| <b>Investment in the UK - Brockton Everlast Inc. Limited (rate of holdings - 85.21%)</b>            |               |           |           |           |
| Number of income-generating properties  | Unit          | 11        | 11        | 11        |
| Value of investment property  | GBP thousands | 701,400   | 712,825   | 701,400   |
| Occupancy rate at end of period   | %             | 96.0      | 97.4      | 94.8      |
| Value of land for initiation and property in development  | GBP thousands | 502,750   | 428,950   | 492,250   |
| Ratio of financial debt to total balance sheet  | %             | 28.0      | 30.4      | 29.1      |
| NOI   | GBP thousands | 9,938     | 9,751     | 41,892    |
| FFO   | GBP thousands | 4,529     | 2,047     | 20,061    |
| Fair value adjustment   | GBP thousands | (842)     | (1,333)   | 9,969     |
| <b>Investment in renewable energy - Energix Renewable Energies Ltd. (rate of holdings - 49.47%)</b> |               |           |           |           |
| Installed capacity from connected photovoltaic systems (MWp) - Energix's share                      | Unit          | 1,399     | 1,049     | 1,411     |
| Installed capacity from connected wind systems (MW) - Energix's share                               | Unit          | 301.2     | 301.2     | 301.2     |
| Balance of connected electricity-generating facilities - according to book value                    | NIS thousands | 6,537,057 | 5,970,870 | 6,578,233 |
| Revenues from sale of electricity and green certificates  | NIS thousands | 185,372   | 169,293   | 755,665   |
| Revenue from sale of tax benefits   | NIS thousands | 84,346    | 58,927    | 407,768   |
| Price per share at end of period  | NIS           | 18.90     | 10.13     | 16.0      |
| EBITDA  | NIS thousands | 190,857   | 156,872   | 863,066   |

## 2. Board of Directors' Explanations regarding the State of Corporate Affairs

### 2.1 The business environment

1. **For additional information regarding the business environment in which the Group operates in the areas of income-generating property and renewable energies, please see the Description of the Corporation's Business chapter in the 2025 Periodic Report.**
2. Income-generating property sector - The following is information regarding significant developments that occurred in the business environment of the Group companies engaged in the income-generating property sector, from the beginning of 2026 until close to the date of publication of the report:

#### **A. Developments in Israel**

The macroeconomic forecast of the Bank of Israel's Research Division, as published in March 2026, simultaneously with Operation Roaring Lion, revised the GDP growth forecasts in Israel downward to a rate of 3.8% in 2026 and 5.5% in 2027. The forecast reflects a short-term impact on activity, mainly due to the restrictions on the home front and the effect on labor supply, in view of the mobilization of the reserves, alongside an increase in the inflation environment as a result of all of this, and also resulting from the increase in oil prices. The working assumption in the forecast is that Operation Roaring Lion contributes to a decrease in the severity of the threat from Iran, and that there will be no further round of fighting within the forecast horizon. In particular, it is assumed that no further changes will be made to the 2026 budget later this year, beyond the increase in the amount of NIS 39 billion approved in the context of Operation Roaring Lion.

Further to the Bank of Israel's assessment, the inflation rate over the next four quarters, ending in the first quarter of 2027, is expected to be 2.3%. The rise in oil prices contributes to an increase in the inflation environment in the short term, but after the war, expectations are for oil prices to decline (to a level higher than before the operation) and for supply constraints to ease, which will lead to a moderation of inflation as early as the second half of 2026.

The Bank of Israel interest rate is expected to average 3.5%-3.75% in the first quarter of 2027, a forecast that includes one or two interest rate cuts over the coming year. The broad unemployment rate is expected to average 4.5% in 2026, mainly due to an increase during the war in Iran, and to decline to 3.4% in 2027.

The state budget deficit is expected to be 5.3% and 4.4% of the GDP in 2026 and 2027 (respectively). The ratio of public debt to GDP is expected to increase to 70.5% in 2026 and 2027. The increase in the deficit rate and the debt-to-GDP ratio in 2026 compared to their rates in 2025, and the upward revision compared to the Research Division's January 2026 forecast, stem from the high cost of Operation Roaring Lion, which was reflected in the decision to increase the defense budget by NIS 32 billion.

#### **B. Developments in the United States**

During the first quarter of 2026, the US economy grew at an annual rate of 2.0%, a significant acceleration from 0.5% in the fourth quarter of 2025. The factors contributing to growth include investment, exports, consumer spending, and government spending. The US unemployment rate declined slightly from 4.4% in December 2025 to 4.3% in March 2026, indicating a strong labor market.

The inflation rate in the first quarter rose to an annual level of approx. 3.3%, compared to approx. 2.7% in the fourth quarter of 2025, mainly due to rising energy costs as a result of the war with Iran. The Fed left interest rates unchanged at 3.5%-3.75%, noting rising inflation and an uncertain economic environment.

#### **Washington D.C.**

As of March 2026, the overall vacancy rate for Trophy offices was 12.7%, compared to 19.9% for Class A offices.

Average asking rent for Trophy offices reached a peak of USD 94 per sq.ft., while asking rent for Class A offices was USD 72 per sq.ft.

The volume of lease transactions in the first quarter of 2026 amounted to approx. 1 million sq.ft., less than the long-term quarterly average of 1.8 million sq.ft., although the existing transaction backlog indicates that the gap is expected to close by the end of the year. The Metro commute rate reached 80% of the 2019 level compared to 75% in 2025, reflecting continued improvement in the rate of return to offices.

The backlog of new office projects under construction is at historically low levels, with only two buildings, 81% of which are pre-leased.

**Rental housing market** - The Washington D.C. metropolitan area is one of the largest rental housing markets in the United States, ranking third nationally. During a year ended in the first quarter of 2026, there was a slight decrease in demand for rental housing, mainly due to DOGE employment cuts, which resulted in a moderate decrease in rental fees of approx. 1.1%. The rate of construction of new housing units has decreased in the last two years to approx. 12-13 thousand housing units per year, compared to approx. 32 thousand housing units in 2023, and is expected to restore the balance between demand and supply. The occupancy rate in the rental housing sector averages approx. 91.3%, which is similar to the general average in the United States.

### **Boston**

As of the first quarter of 2026, the overall vacancy rate for Trophy offices was 12.7%, compared to 20.3% for Class A offices. Two new projects were delivered after the end of 2025, adding over 900,000 sq.ft. of Trophy office space to the office inventory.

Rental fees remained stable, with asking rent for Trophy offices at USD 92 per sq.ft., compared to USD 71 per sq.ft. for Class A offices.

The volume of lease transactions in the first quarter of 2026 amounted to approx. 1 million sq.ft., after a high of 5.7 million sq.ft. were leased in 2025. The demand for office space remained stable, with the number of potential tenants actively seeking space increasing by 12.9%. Total sublease space fell to approx. 2.6 million sq.ft., the lowest level since February 2022.

## **C. Developments in the UK**

According to the Bank of England's ("BOE") updated forecasts, the GDP is expected to increase by 0.7%-0.8% in 2026, compared to growth of approx. 1.3% in 2025.

The UK unemployment rate in February 2026 fell to approx. 4.9% from approx. 5.2% at the end of 2025, for the first time since August 2024.

As of March 2026, the annual inflation rate in the UK was 3.3%, above the central bank's target of 2% and therefore, the BOE left the monetary interest rate unchanged at 3.75% in April 2026. Rising energy prices resulting from the Iran war were the main reason for the increase in inflation.

### **London**

Total office leasing activity in London in the first quarter of 2026 was 2.2 million sq.ft., the highest level of first quarter demand since 2022, 6% higher than the average of the last five years.

Prime rents rose to approx. GBP 180 per sq.ft. in the West End and approx. GBP 100 per sq.ft. in the City, reflecting annual growth in rental fees of 12.5% and approx. 10% (respectively), compared to the first quarter of 2025.

The supply of vacant space in central London fell for the second consecutive quarter to 22.1 million sq.ft., leading to a vacancy rate of 8.8%. The new build supply also fell to 2.8 million sq.ft., reflecting a vacancy rate of just 1.1%.

**Cambridge and Oxford**

Office leasing activity in Cambridge during the first quarter of 2026 continued to be high, compared to below-average demand for laboratory space. In Oxford, laboratory leasing volume exceeded the average for the past ten years, compared to the below-average demand for office space.

**The Company's estimates of the possible consequences of future developments in the economic environment in which the Group operates, as detailed above, constitute forward-looking information, as defined in Section 32A of the Securities Law, 1968 ("Forward-looking Information"), which is based, among other things, on the Company's assessments as of the date of publication of this report with respect to factors that are not under its control. The Company's assessments are based on information available to the Company, on publications and research on these subjects and on the guidelines of the relevant authorities in the various countries in which the Group operates. It should be clarified that there is no certainty that the above assessments will be realized, in whole or in part, due to factors beyond the Company's control. For additional information regarding the risk factors to which the Group is exposed, please see Section 4 of the Board of Directors' Report in the Company's Periodic Report for 2025.**

## 2.2 Statement of Financial Position

| Statement of Financial Position item  | March 31, 2026<br>NIS millions | December 31, 2025<br>NIS millions | Notes and explanations  |
|---|--------------------------------|-----------------------------------|---|
| Cash and cash equivalents   | 733                            | 2,089                             | For the Statement of Cash Flows, please see Section 2.6 below.  |
| Investment Property, Investment Property in Development and Land Rights   | 30,943                         | 31,004                            | The increase stems from investments in property in development and in existing income-generating properties in the amount of NIS 223 million, which is offset by the introduction of a building partner in Carr at a rate of 75% in the amount of NIS 110 million and a negative revaluation of NIS 16 million, as well as from the effect of exchange rates on the real estate of BE and Carr (approx. NIS 156 million).   |
| Investments in companies accounted for according to the equity method and securities measured at fair value through profit and loss | 1,266                          | 1,206                             | The main changes are as follows: <ul style="list-style-type: none"> <li>Profits recorded in associates in the amount of approx. NIS 16 million, the purchase of a property in the amount of NIS 29 million at 1401 New York Ave. at a rate of 25%, and the introduction of a partner in 3033 Wilson at a rate of 75%, which resulted in the classification of the property as an associate in the amount of NIS 29 million. These increases were offset by dividends and exchange rate differences in the amount of NIS 12 million. For information on this matter, please see Sections 2.3.3 and 2.5.2 below.</li> </ul> |
| Electricity-generating facilities - connected and in development  | 11,715                         | 11,053                            | Most of the increase is due to Energix's investments in the initiation and development of projects in the United States and in Israel.<br>For information regarding electricity-generating facilities, please see Note 5 to the financial statements.   |
| Other assets  | 1,662                          | 1,975                             |   |
| <b>Total assets</b>   | <b>46,319</b>                  | <b>47,327</b>                     |   |
| Loans and bonds   | 27,154                         | 27,800                            | For information regarding the main changes in the Group's financial debt, please see Section 2.4.3 below.   |
| Other liabilities   | 6,139                          | 6,438                             |   |
| <b>Total liabilities</b>  | <b>33,293</b>                  | <b>34,238</b>                     |   |
| Equity attributed to shareholders   | 5,587                          | 5,609                             | For information regarding the main changes in equity attributed to shareholders, please see Section 2.7.2 below.  |
| Non-controlling interests   | 7,439                          | 7,480                             |   |
| <b>Total equity</b>   | <b>13,026</b>                  | <b>13,089</b>                     |   |
| <b>Total liabilities and equity</b>   | <b>46,319</b>                  | <b>47,327</b>                     |   |

## 2.3 Investments

2.3.1 The following are the Company's investments (expanded solo) as of March 31, 2026:

|                              | Currency    | Number of shares | Balance in the Company books (expanded solo) | Value             | Value measurement basis       |
|------------------------------|-------------|------------------|--|-------------------|-------------------------------|
|                              |             |                  | NIS thousands                                | NIS thousands     |                               |
| Amot                         | NIS         | 246,849,572      | 4,866,625                                    | 4,748,085         | Stock market value - tradable |
| Energix                      | USD/PLN/NIS | 285,984,236      | 1,237,934                                    | 5,427,926         | Stock market value - tradable |
| Carr                         | USD         | -                | 1,683,221                                    | 1,683,221         | Equity method                 |
| AH Boston                    | USD         | -                | 277,565                                      | 277,565           | Equity method                 |
| Brockton Everlast            | GBP         | -                | 3,039,917                                    | 3,039,917         | Equity method                 |
| Brockton Funds <sup>12</sup> | GBP         | -                | 191,155                                      | 191,155           | Equity method                 |
| Other <sup>13</sup>          |             |                  | 20,929                                       | 20,929            |                               |
| <b>Total</b>                 |             |                  | <b>11,317,346</b>                            | <b>15,388,798</b> |                               |

2.3.2 The Company's investments (expanded solo) in the reporting period and after the balance sheet date

During the reporting period and after the balance sheet date, the Company (expanded solo) invested in its investees, as follows:

|                   | After the balance sheet date |              |              |
|-------------------|------------------------------|--------------|--------------|
|                   | Q1/2026                      |              | Total        |
|                   | NIS millions                 | NIS millions | NIS millions |
| Brockton Everlast | 50                           | -            | 50           |
| AH Boston         | 6                            | 2            | 8            |
| <b>Total</b>      | <b>56</b>                    | <b>2</b>     | <b>58</b>    |

<sup>13</sup> Including mainly cash in the amount of NIS 18 million.

### 2.3.3 Investment in real estate in Israel - through Amot

As of March 31, 2026, the Company holds 49.99% in Amot.

#### 2.3.3.1 Information regarding Energix's activity in Israel

For information regarding Amot's activity, please see Chapter B of the Company's Description of Corporate Business for 2025.

#### 2.3.3.2 Information regarding projects in development as of March 31, 2026:

| Property name | Location | Main use | Estimated completion date of projects in development | Above-ground sq.m. for marketing - 100% | Rate of holdings | Above-ground sq.m. for marketing - Amot's share | Cumulative cost | Value of projects in Amot's books | Estimated construction cost | NOI upon full occupancy | Expected return on cost |
|---------------|----------|----------|--|---|------------------|---|-----------------|-----------------------------------|-----------------------------|-------------------------|-------------------------|
|---------------|----------|----------|--|---|------------------|---|-----------------|-----------------------------------|-----------------------------|-------------------------|-------------------------|

#### Entrepreneurial projects in development<sup>14</sup>

##### Amot's share - in NIS millions

| Property name                       | Location  | Main use        | Estimated completion date | Above-ground sq.m. for marketing - 100% | Rate of holdings | Above-ground sq.m. for marketing - Amot's share | Cumulative cost | Value of projects in Amot's books | Estimated construction cost | NOI upon full occupancy | Expected return on cost |
|-------------------------------------|-----------|-----------------|---------------------------|---|------------------|---|-----------------|-----------------------------------|-----------------------------|-------------------------|-------------------------|
| Halehi Complex <sup>15</sup>        | Bnei Brak | Offices         | 2026                      | 86,920                                  | 50%              | 43,460  | 495             | 475                               | 630-670                     | 44-48                   | 7.1%                    |
| K Complex - Jerusalem <sup>16</sup> | Jerusalem | Offices + hotel | 2029                      | 93,000                                  | 50%              | 46,500  | 175             | 175                               | 750-800                     | 49-53                   | 6.6%                    |
| ToHa2                               | Tel Aviv  | Offices         | 2026                      | 156,000                                 | 50%              | 78,000  | 1,089           | 1,669                             | 1,700-1,750                 | 150-165                 | 9.2%                    |
| <b>Total</b>                        |           |                 |                           | <b>335,920</b>                          |                  | <b>167,960</b>                                  | <b>1,759</b>    | <b>2,319</b>                      | <b>3,080-3,220</b>          | <b>243-266</b>          | <b>7.9%</b>             |

#### Tenant-dependent projects for development<sup>17, 18</sup>

| Property name                  | Location     | Main use | Estimated completion date | Above-ground sq.m. for marketing - 100% | Rate of holdings | Above-ground sq.m. for marketing - Amot's share | Cumulative cost | Value of projects in Amot's books | Estimated construction cost | NOI upon full occupancy | Expected return on cost |
|--------------------------------|--------------|----------|---------------------------|---|------------------|---|-----------------|-----------------------------------|-----------------------------|-------------------------|-------------------------|
| Platinum Stage B <sup>19</sup> | Petach Tikva | Offices  |                           | 20,000                                  | 100%             | 20,000  |                 | 40                                | 210-230                     |                         |                         |
| Amot Shaul - Stage A           | Kfar Saba    | Offices  |                           | 35,000                                  | 50%              | 17,500  |                 | 61                                | 160-180                     |                         |                         |
| <b>Total</b>                   |              |          |                           | <b>55,000</b>                           |                  | <b>37,500</b>                                   |                 | <b>101</b>                        | <b>370-410</b>              |                         |                         |
| <b>Total</b>                   |              |          |                           | <b>390,920</b>                          |                  | <b>205,460</b>                                  |                 | <b>2,420</b>                      | <b>3,450-3,630</b>          |                         |                         |

The information in this section above regarding the estimated completion of projects in development and the expected return, the estimated NOI and the estimated construction cost is forward-looking information as defined in Section 32A of the Securities Law. The information is based on data available and known to Amot on the date of publication of this report and on its estimates. The information may also change materially as a result of factors relating to environmental requirements, on City Building Plan changes subject to approvals of the planning and building authorities, on receipt of consent from owners of bordering properties, for which there is no certainty of receipt, in the event of any of the risk factors affecting Amot's operations, as detailed in Section 4 of the Board of Directors' Report included in the 2025 Periodic Report, and which are not under Amot's control, and therefore, there is no certainty that these projects will actually be executed.

14 The construction cost includes the land component and parking basements, tenant adjustments and capitalization.

15 As of the date of publication of the report, the commerce floors have opened to the public. The partnership has signed contracts for approx. 13,000 sq.m. (Amot's share - 50%), which are expected to generate annual rent for the partnership of approx. NIS 22 million (Amot's share - 50%).

In the second quarter of 2025, the commercial portion was classified from property in development to income-generating property, and as a result, the expected rate of return for the office portion changed to 7.1%.

16 Subject to the completion of additional rights in the K Complex in Jerusalem

17 The cost of construction includes the land component and parking garages and does not include adjustments to tenants and capitalizations.

18 HaElef complex in Rishon LeZion - There is an option agreement to sell the property and therefore it was removed from "Tenant-dependent projects for development" and included under "Other projects" below.

19 Subject to the completion of additional construction rights in order to build a matching tower to Platinum Stage A.

2.3.3.3 Information regarding projects in planning as of March 31, 2026:

| Property name | Location | Main use | Rate of holdings | Additional above-ground area for marketing - Amot's share in sq.m. | Value of project in Amot's books |
|---------------|----------|----------|------------------|--|----------------------------------|
|---------------|----------|----------|------------------|--|----------------------------------|

Projects in initiation for planning and licensing:

| <b>Building rights - Tzrifin Logistic Center</b>        | Tzrifin  | Logistics       | 100%             | 200,000  | 253          |
|---|----------|-----------------|------------------|--|--------------|
| <b>Beit Amot - Ravad</b>                                | Tel Aviv | Offices         | 50%              | 30,000   | 130          |
| <b>HaSolelim land</b>                                   | Tel Aviv | Offices         | 100%             | 110,000  | 211          |
| <b>ToHa3/ToHa4</b>                                      | Tel Aviv | Offices         | 50%              | 100,000  | 259          |
| <b>Lot 300</b>  | Tel Aviv | Housing/offices | 50%              | 63 housing units   | 134          |
| <b>Other projects (see table below - Main projects)</b> |          |                 |                  |  | 454          |
| <b>Total projects for planning and licensing</b>        |          |                 |                  |  | <b>1,441</b> |
| Project name  | Location | Main use        | Rate of holdings | Additional above-ground area for marketing - Amot's share in sq.m. |              |

Main projects under Other Projects

|  |          |             |      |                   |
|--|----------|-------------|------|-------------------|
| <b>Amot Mishpat (valid City Building Plan)</b> | Tel Aviv | Offices     | 73%  | 20,000            |
| <b>Amot Mishpat (valid City Building Plan)</b> | Tel Aviv | Residential | 73%  | 115 housing units |
| <b>Amot BDO</b>                                | Tel Aviv | Offices     | 86%  | 60,200            |
| <b>Migdal HaMe'a - Ibn Gabirol</b>             | Tel Aviv | Offices     | 46%  | 27,600            |
| <b>Amot Europe</b>                             | Tel Aviv | Offices     | 100% | 32,000            |
| <b>Land in Azor</b>                            | Location | Residential | 100% | 190 housing units |

The data in the table above is based on Amot's estimates regarding the utilization of building rights in some of the aforementioned projects, and accordingly, is forward-looking information, as defined in Section 32A of the Securities Law.

These Amot estimates are based, among other things, on information available to Amot's management, as of the date of publication of the report, which includes forecasts, assessments, assumptions and estimates, which may not materialize, or may materialize differently from Amot's estimate, including due to dependence on external factors, and primarily on the various authorities, in the maturation of the processes relating to the improvement and planning options, which are naturally beyond Amot's control, and may therefore lead to a change (even a material change) in the data mentioned in the table above, so that there is no certainty that these projects will actually be implemented.

## 2.3.3.4 Amot's FFO is as follows:

| Amot's FFO  | FFO - Amot Investments Ltd. |                |                |
|---|-----------------------------|----------------|----------------|
|   | NIS thousands               |                |                |
|   | Q1/2026                     | Q1/2025        | 2025           |
| <b>Profit for the year</b>  | <b>163,372</b>              | <b>159,231</b> | <b>781,833</b> |
| <b><u>Adjustments:</u></b>  |                             |                |                |
| Profit from change in fair value of investment property and profit from sale of investment property | -                           | (16,797)       | (347,387)      |
| Acquisition costs recognized in profit and loss   | -                           | 3,510          | 14,930         |
| Deferred tax effects of the above adjustments and capital gains tax on the sale of assets           | 29,001                      | 29,005         | 100,375        |
| <b>FFO - according to the Authority's approach</b>  | <b>192,373</b>              | <b>174,949</b> | <b>549,751</b> |
| <b><u>Management's approach, additional adjustments:</u></b>  |                             |                |                |
| Tax expenses and financing for previous years in respect of assessment agreement (**)               | -                           | -              | 45,564         |
| Share-based payment   | 2,518                       | 2,118          | 9,108          |
| Depreciation and amortizations  | 793                         | 726            | 3,023          |
| Linkage difference expenses on the debt principal   | (7,860)                     | 24,534         | 196,242        |
| <b>FFO - according to the Management's approach</b>   | <b>187,824</b>              | <b>202,327</b> | <b>803,688</b> |
| <b><u>The following is a breakdown of the FFO according to the Management's approach:</u></b>       |                             |                |                |
| NOI   | 269,356                     | 264,327        | 1,059,706      |
| Administrative and general expenses   | (16,393)                    | (15,216)       | (61,786)       |
| Financing expenses  | (38,367)                    | (35,311)       | (141,039)      |
| Current taxes   | (26,720)                    | (11,359)       | (52,841)       |
| Miscellaneous   | (52)                        | (114)          | (351)          |
| <b>FFO - according to the Management's approach</b>   | <b>187,824</b>              | <b>202,327</b> | <b>803,688</b> |
| <b>Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands</b>          | <b>96,173</b>               | <b>89,316</b>  | <b>277,873</b> |
| <b>Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands</b>         | <b>93,899</b>               | <b>103,293</b> | <b>406,226</b> |

(\*) The FFO in respect of Amot is presented without the exclusion of intercompany balances.

(\*\*) Adjustment of previous years' tax deductions and financing expenses for the assessment agreement for the years 2020-2023.

## 2.3.4 Investment in Carr

As of March 31, 2026 and close to the date of publication of the financial statements, the Group's effective holding in Carr is 79.79% and 80.75%, respectively.

### 2.3.4.1 Information regarding Carr's activity

For information regarding Carr's activity, please see Chapter C1 of the Company's Description of Corporate Business for 2025.

### 2.3.4.2 Amot's business developments in the reporting period and after the date of the report are as follows:

- For additional information regarding the addition of a partner to the project for the construction of a residential rental building at 3033 Wilson in Northern Virginia, please see Note 6b to the financial statements.
- For additional information regarding the transaction for the acquisition of the office building at 1401 New York Ave. in Washington, D.C., please see Note 6b to the financial statements.

### 2.3.4.3 Information regarding residential rental projects under construction as of March 31, 2026:

a. In accordance with the business strategy described in Section 8 of Chapter C1 of the 2025 Periodic Report, Carr, as a developer, is establishing residential rental projects in Washington D.C. and in Northern Virginia. In some of the projects, Carr adds American institutional partners. In its capacity as managing partner, Carr is entitled to receive management fees from the project companies and, in addition, carry interest for excess profitability (to the extent it is achieved), above the hurdle rate.

b. The following is information about the project backlog in the development stages as of the date of publication of the report, in full ownership terms (100%):

| Project                        | 2121 Virginia   | 3033 Wilson         | 425 Montgomery       |
|--------------------------------|-----------------|---------------------|----------------------|
| Location                       | Washington D.C. | Arlington, Virginia | Alexandria, Virginia |
| Size (sq.ft.)                  | 230,000         | 300,000             | 250,000              |
| Number of units                | 299             | 315                 | 237                  |
| Total construction budget      | USD 130 million | USD 147 million     | USD 131 million      |
| Costs remaining for completion | USD 105 million | USD 110 million     | USD 62 million       |
| Stabilized NOI                 | USD 11 million  | USD 10 million      | USD 9 million        |
| End of construction            | Q1/2028         | Q1/2028             | Q4/2026              |

The following are Carr's rates of ownership in the aforementioned projects:

| Project        | 2121 Virginia | 3033 Wilson | 425 Montgomery |
|----------------|---------------|-------------|----------------|
| Ownership rate | 100%          | 25%         | 10%            |

c. As of the date of publication of the report, Carr's total investment in the projects described above is \$USD 42 million. Carr is expected to invest an additional USD 31 million in these projects until their completion. Carr expects its share of the entrepreneurial profit, including the carry interest component in the aforementioned projects, to amount to approx. USD 90 million.

d. Carr aims to expand its residential rental segment and is looking into the acquisition of additional properties for development in the areas described above.

The information in this section above regarding the estimated completion of projects in development and the expected return, the estimated NOI, the estimated construction cost, reaching the stabilization rental volume and the entrepreneurial profit is forward-looking information as defined in Section 32A of the Securities Law. The information is based on data available and known to Carr's management on the date of publication of this report and on its estimates. The information may also change materially as a result of factors relating to the requirements for changes in the City Building Plan subject to approvals from the planning and building authorities, changes in the costs of construction materials and additional risk factors affecting Carr's operations and over which Carr's management has no control, as detailed in Section 4 of the Board of Directors' Report included in the 2025 Periodic Report, and therefore, the actual results may be different from those detailed above.

## 2.3.4.4 Carr's FFO:

|  | FFO - Carr    |               |                |
|--|---------------|---------------|----------------|
|  | USD thousands |               |                |
|  | Q1/2026       | Q1/2025       | 2025           |
| <b>Profit for the year</b>   | <b>8,595</b>  | <b>31,337</b> | <b>47,877</b>  |
| <b>Adjustments:</b>  |               |               |                |
| Loss (profit) from change in fair value of investment property   | 4,101         | (12,715)      | (22,864)       |
| Depreciation, amortizations and other  | 599           | 845           | 4,154          |
| Current and deferred tax effects of the above adjustments  | 7             | (110)         | 333            |
| Adjustments as detailed above in respect of associates   | 1,064         | 924           | 35,468         |
| <b>FFO - according to the Authority's approach</b>   | <b>14,366</b> | <b>20,281</b> | <b>64,968</b>  |
| Attributed to non-controlling interests  | (2,155)       | (2,992)       | (7,388)        |
| Adjustments stemming from the non-controlling interests' share in FFO  | 337           | 720           | (618)          |
| <b>FFO - according to the approach of the Authority and the Company attributed to the majority</b>                 | <b>12,548</b> | <b>18,009</b> | <b>56,962</b>  |
| <b>Management's approach, additional adjustments:</b>  |               |               |                |
| NOI  | 30,575        | 36,806        | 132,610        |
| Administrative and general expenses  | (3,581)       | (3,237)       | (14,012)       |
| Financing expenses   | (14,446)      | (15,560)      | (61,636)       |
| <b>FFO - according to the approach of the management and the Authority, in USD thousands</b>                       | <b>12,548</b> | <b>18,009</b> | <b>56,962</b>  |
| <b>Alony-Hetz's share in FFO - according to the approach of the Authority and the management, in NIS thousands</b> | <b>31,253</b> | <b>31,089</b> | <b>120,538</b> |

## 2.3.5 Investment in Brockton Everlast ("BE")

As of March 31, 2026 and close to the date of publication of the report, the Company indirectly held approx. 85.21% of the rights in BE.

During the reporting period, the Company invested approx. GBP 12 million (approx. NIS 50 million) in BE's capital.

## 2.3.5.1 Information regarding BE's activity

For additional information regarding BE's activity, please see Chapter D of the Company's Description of Corporate Business for 2025.

## 2.3.5.2 Information regarding a project in development as of March 31, 2026:

| Property name     | Location       | Main use | Rate of holdings | Thousands of above-ground sq.ft. for marketing, 100% | Estimated completion date | Estimated construction costs, including land | Project cost in BE's books as of March 31, 2026 | Balance for completion of construction costs as of March 31, 2026 | Remaining equity investment as of March 31, 2026 | Expected NOI upon project occupancy |
|-------------------|----------------|----------|------------------|--|---------------------------|--|---|---|--|-------------------------------------|
| GBP millions      |                |          |                  |  |                           |  |   |   |  |                                     |
| Dovetail Building | City of London | Offices  | 100%             | 445  | 2029                      | 699  | 186   | 513   | 93   | 52                                  |

The information detailed in this Section 2.3.5.2 above regarding the estimated construction completion date, the expected construction costs and the expected NOI upon the project's occupation is forward-looking information as defined in Section 32A of the Securities Law as it is influenced by factors that are not dependent on BE, such as construction costs, regulatory changes, environmental aspects and

additional risk factors, which are beyond BE's control, as detailed in Section 4 of the Board of Directors' Report in the 2025 Periodic Report, and therefore there is no certainty that the project will be completed on time, at the planned costs or with the planned results.

### 2.3.5.3 Financial debt

As of March 31, 2026, BE had loans from banking corporations totaling approx. GBP 375 million, of which approx. GBP 50 million are in respect of a loan due to be repaid in September 2026. Subsequent to the balance sheet date, BE signed a non-binding memorandum of understanding for the recycling of the loan, which will be repaid in September 2029 and bear the same interest as the original loan.

### 2.3.5.4 BE's FFO:

|   | FFO - BE      |                |               |
|---|---------------|----------------|---------------|
|   | GBP thousands |                |               |
|   | Q1/2026       | Q1/2025        | 2025          |
| <b>Profit (loss) for the year</b>   | <b>4,079</b>  | <b>(1,133)</b> | <b>23,859</b> |
| <b>Adjustments:</b>   |               |                |               |
| Loss (profit) from change in fair value of investment property                              | 842           | 1,333          | (9,969)       |
| Loss or reversal of an impairment loss according to IAS 36                                  | -             | -              | (864)         |
| Loss (profit) from changes in fair value or sale of financial instruments                   | (720)         | 1,454          | 5,526         |
| <b>FFO - according to the Authority's approach</b>  | <b>4,201</b>  | <b>1,654</b>   | <b>18,552</b> |
| <b>Management's approach, additional adjustments:</b>                                       |               |                |               |
| Depreciation and amortizations  | 131           | 193            | 709           |
| Share-based payment   | 197           | 200            | 800           |
| <b>FFO - according to the Management's approach</b>   | <b>4,529</b>  | <b>2,047</b>   | <b>20,061</b> |
| <b>The following is a breakdown of FFO according to the Management's approach:</b>          |               |                |               |
| NOI   | 9,938         | 9,751          | 41,892        |
| Administrative and general expenses   | (2,268)       | (2,321)        | (9,362)       |
| Financing expenses  | (3,141)       | (5,383)        | (12,469)      |
| <b>FFO - according to the Management's approach</b>   | <b>4,529</b>  | <b>2,047</b>   | <b>20,061</b> |
| <b>Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands</b>  | <b>15,034</b> | <b>6,386</b>   | <b>71,890</b> |
| <b>Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands</b> | <b>16,208</b> | <b>7,903</b>   | <b>77,739</b> |

## 2.3.6 Investment in renewable energy through Energix

As part of Energix's overall activity in Israel, the United States, Lithuania and Poland, the total capacity of its systems, as of the date of approval of the report, amounts to approx. 1.7 GW and approx. 0.5 GWh (storage) in commercially operated projects, approx. 2 GW and 1.6 GWh (storage) in projects in development or pre-construction, and approx. 0.9 GW and 1.1 GWh (storage) in projects in advanced initiation.<sup>20</sup> In addition, Energix has photovoltaic and wind energy projects in initiation with a capacity of approx. 5.7 GW and storage projects in initiation with a capacity of approx. 11.7 GWh (storage).

### 2.3.6.1 Information regarding Energix's activity

For information regarding Energix's activity, see Chapter F of the Company's Description of Corporate Business for 2025 and Section 2.3.8 of the Board of Directors' Report for 2025.

### 2.3.6.2 Developments in Energix's business in the reporting period and subsequent to the balance sheet date are as follows:

- As of the date of approval of the report, Energix is in the midst of construction work on projects with a total capacity of approx. 2 GW and 1.6GWh (storage), including projects in the United States with a total capacity of approx. 1 GWp, projects in Poland with a total capacity of approx. 230 MW and 750 MWh (storage), projects in Lithuania with a total capacity of approx. 626 MW and 340 MWh, and projects are in Israel with a total capacity of approx. 120 MW and 510 MWh (storage).
- **ARAN project for the establishment of a wind farm with a capacity of 104 MW** - During the reporting period and following Operation Roaring Lion, the project areas were declared a closed military area, preventing Energix from resuming construction work on the project. With the lifting of the restrictions, Energix began carrying out engineering preparations and, close to the date of publication of the report, resumed construction work on the project, in coordination with the Israel Police and accompanied by private security agencies. During the construction work, there were disturbances and violent resistance at the site, in violation of the law, by a group of violent rioters from the Druze community in the Golan Heights, which included, among other things, threats and attacks that injured some of those present at the site, including police officers who required medical treatment. Property was also damaged, including tools and vehicles belonging to contractors on site that were set on fire. In view of these events, construction work was temporarily halted. Energix is working with state agencies and the competent authorities in order to continue the project and ensure the organized and secure resumption of its construction work, and also to exercise its legal rights according to law.  
In accordance with accounting principles, Energix is expected to record a provision for impairment of up to NIS 200 million during the second quarter of 2026.
- For information regarding Energix's increased backlog of initiation projects in Poland with a capacity of approx. 0.6 GWh (storage), please see Note 5 to the financial statements.
- For information regarding acquisition transactions completed for projects in Lithuania with a capacity of approx. 626 MW (approx. 226 MW wind and up to 400 MWp photovoltaic) and approx. 340 MWh (storage), please see Note 5 to the financial statements.
- For information regarding engagements in acquisition agreements for photovoltaic projects in the United States with a capacity of approx. 290 MWp, in development and pre-construction, please see Note 5 to the financial statements.

The provisions of this section above regarding projects in initiation, development and construction include forecasts, valuations, estimates or other information relating to a future event or matter, the realization of which

<sup>20</sup> **Commercially operated projects** are projects whose construction has been completed and the electricity produced in them is fed into the relevant electricity grid; **projects in development** or **pre-construction** are the Energix's projects that are in the construction process or that the actual start of construction is expected in the near future; **projects in advanced initiation stages** are Energix's backlog of projects that it estimates can be financially closed or ready for construction within the next 12 months; **initiation projects** are the backlog of the Energix's projects at various stages of development which may mature into development projects, for which the Energix has rights to the land and it is working to obtain the permits and approvals required for their construction, and regarding projects in the United States and Poland, initiation projects will also include the capacity for which Energix has connection permits; **mature project backlog** includes projects in commercial operation, projects in development and pre-construction and advanced initiation projects.

is uncertain and beyond the control of the Company and/or the Group, and therefore constitutes forward-looking information as the term is defined in Section 32A of the Securities Law.

For additional information regarding Energix's business developments during the reporting period and after the balance sheet date, please see Note 5 to the financial statements.

2.3.6.3 The following is an analysis of Energix's operating results in the reporting period:

|                                 | Q1/26     | Q1/25   | Change % | <sup>21</sup> 2025 |
|---------------------------------|-----------|---------|----------|--------------------|
|                                 | Unaudited |         |          | Audited            |
| <b>Revenue</b>                  | 271,061   | 228,798 | 18%      | 1,169,940          |
| <b>EBITDA</b>                   | 190,857   | 156,872 | 22%      | 863,066            |
| <b>Net profit</b> <sup>22</sup> | 57,605    | 41,992  | 37%      | 278,102            |

2.3.6.4 The following is an analysis of project-based EBITDA used by Energix to calculate its operating results (unaudited):

|   | Q1/2026        | Q1/2025        |            | 2025             |
|---|----------------|----------------|------------|------------------|
|   | NIS thousands  | NIS thousands  | Change %   | NIS thousands    |
| <b>Energix's accounting EBITDA</b>            | 190,857        | 156,872        | 22%        | 863,066          |
| Lease expenses (IFRS)                         | (8,210)        | (7,474)        |            | (32,288)         |
| Other expenses, including initiation expenses | 23,117         | 7,472          |            | 37,395           |
| Salary and related expenses                   | 22,836         | 15,898         |            | 73,671           |
| Management, administrative and HQ expenses    | 4,137          | 14,829         |            | 62,547           |
| <b>Total project EBITDA</b>                   | <b>232,737</b> | <b>187,597</b> | <b>24%</b> | <b>1,004,391</b> |

<sup>21</sup> Not including the ARAN project's impairment loss.

<sup>22</sup> Starting in 2026, Energix updated the presentation format of its Statements of Income, as part of a change in accounting policy, so that US tax partner income (income from the transfer and sale of the tax credit (ITC) and the transfer of additional tax benefits) is included in income, instead of presenting this income below profit before income taxes. In view of this, Energix's revenues for 2026 include the tax partner revenues and, for comparison purposes, Energix has presented the tax partner revenues as part of revenues also in relation to previous years.

Energix believes that this presentation is more relevant for understanding its operating performance (Group) and is consistent with the customary presentation of revenues from US tax partners in companies operating in the renewable energy sector.

### 2.3.7 Dividend receipts

The following are the dividends received from the Company's main investments (expanded solo) in 2026, up to the date of publication of the financial statements, and the projected receipts of dividends for 2026:

|   | From January 2026 to the date of publication of the reports |               |
|---|---|---------------|
|   | 2026 forecast   | 2026 forecast |
|   | NIS millions  |               |
| Amot  | 123   | 323           |
| BE  | -   | 40            |
| Energix   | 29  | 114           |
| AH Boston                                       | 7   | 30            |
| Total cash dividend                             | 159   | 507           |
| <sup>23</sup> Carr - Dividend reinvestment plan | -   | 115           |
| Total dividend                                  | 159   | 622           |

The dividend receipt forecast for 2026 is calculated in accordance with the declared dividend distribution policy of each of the companies mentioned above, and is based on the Company's existing investment portfolio as of the date of publication of this report.

The above table does not include dividends and returns on investments from the Brockton Funds, which were received and which may be received upon realization of their properties.

The information on dividend receipts for 2026 constitutes forward-looking information in accordance with Section 32A of the Securities Law, 1968, in view of the fact that there is no certainty that the authorized bodies of the investees will actually approve the dividend distributions, and this is at their sole discretion.

## 2.4 Liquidity and financing sources

### 2.4.1 Cash and credit facilities

As of March 31, 2026, the Group has cash balances of NIS 0.7 billion (of which the Company's expanded solo balance - NIS 18 million) and unutilized lines of credit in the amount of approx. NIS 2.6 billion (of which the Company's expanded solo lines of credit - NIS 669 million).

### 2.4.2 Unencumbered assets

As of March 31, 2026, all of the Company's assets (expanded solo) are unencumbered. Their balance (not including cash) as of March 31, 2026 is NIS 11.3 billion (a market value of NIS 15.4 billion).

### 2.4.3 Financial debt

As of March 31, 2026, the Group's net financial debt amounted to NIS 26.5 billion, constituting 58.1% of the Group's total assets, compared to a net financial debt of NIS 25.7 billion, which constituted 56.9% of the Group's assets as of December 31, 2025.

As of March 31, 2026, the net financial debt of the Company (expanded solo) amounted to NIS 5.6 billion, constituting 49.6% of the total assets of the Company (expanded solo), compared to net financial debt of NIS 5.7 billion, constituting 49.8% of the assets of the Company (expanded solo), as of December 31, 2025.

<sup>23</sup> As part of the Company's choice to participate in Carr's DRIP program, the dividend amount to which the Company is entitled in Carr will remain after its receipt and reinvestment.

#### 2.4.3.1 The Company (expanded solo)

- As of March 31, 2026, the Company has a credit facility in the total amount of NIS 700 million, of which NIS 669 million is unutilized (as of the date of publication of the report - NIS 700 million). For information regarding the Company's credit facilities, please see Note 12b to the Annual Financial Statements and Note 8 to the financial statements.
- After the date of the report, in April 2026, the Company issued NIS 334,950 thousand PV of bonds (Series Q) by way of a series expansion through a shelf offering report, for a total gross consideration of NIS 356 million. The effective interest of the bonds (Series Q) is 5.37%. For information regarding the bonds (Series Q), please see Note 11i to the annual financial statements and Note .

#### 2.4.3.2 Consolidated companies

##### Energix

- For information regarding the completion of project financing and tax partner investment for an additional project with a capacity of 152 MWp E5 battery in the United States in the amount of up to USD 236 million, please see Note 8 to the financial statements.

As of the date of the report, the Group is in compliance with all financial covenants in respect of its loans and bonds.

#### 2.4.4 Working capital deficit

The working capital deficit as of March 31, 2026 amounted to a total of approx. NIS 3.3 billion in the consolidated financial statements (NIS 0.4 billion in the Company's expanded solo statements). As of March 31, 2026, the Group has a high balance of unutilized long-term credit facilities and a high balance of unencumbered assets. In view of this, the Company's Board of Directors believes that the existence of a working capital deficit does not indicate a liquidity problem.

### 2.5 Operating results

In the reporting period, the Group recorded a profit of NIS 199 million, compared to a profit of NIS 165 million in the corresponding period last year. The share attributed to Company shareholders in the reporting period amounted to a profit of approx. NIS 77 million, compared to a profit of NIS 67 million attributed to Company shareholders in the corresponding period last year.

In the reporting period, the Group recorded comprehensive income of NIS 129 million, compared to comprehensive income of NIS 364 million in the corresponding period last year. The share attributed to Company shareholders in the reporting period amounted to a profit of approx. NIS 27 million, compared to comprehensive income of NIS 209 million attributed to Company shareholders in the corresponding period last year. For an explanation of the operating results in the reporting period, please see Sections 2.5.1 and 2.5.2 below.

2.5.1 The following table provides a summary of the operating results (in NIS thousands):

|   | Q1/2026          | Q1/2025          | 2025             |
|---|------------------|------------------|------------------|
|   | NIS<br>thousands | NIS<br>thousands | NIS<br>thousands |
| <b>Revenue and profits</b>  |                  |                  |                  |
| Revenue from rental fees and management of investment property  | 493,558          | 349,134          | 1,668,831        |
| Fair value adjustments of investment property   | (16,346)         | 7,225            | 385,136          |
| Group share in the losses of associates, net  | 15,990           | 53,126           | (40,461)         |
| Net losses from investments in securities measured at fair value through profit and loss                            | (1,299)          | (10,174)         | (10,376)         |
| Profit (loss) from decrease in rate of holding, from acquisition and realization of associates                      | -                | (72)             | 116,596          |
| Revenues from sale of electricity and green certificates  | 185,372          | 169,293          | 755,665          |
| Revenue from sale of tax benefits   | 84,346           | 58,927           | 407,768          |
| Other revenues, net   | 1,209            | 578              | 4,372            |
|   | <b>762,830</b>   | <b>628,037</b>   | <b>3,287,531</b> |
| <b>Costs and expenses</b>   |                  |                  |                  |
| Cost of investment property rental and operation  | 100,006          | 48,789           | 280,555          |
| Initiation, maintenance and operation costs of electricity-generating facilities                                    | 53,231           | 41,199           | 167,944          |
| Depreciation and amortizations  | 68,032           | 60,307           | 306,617          |
| Administrative and general  | 74,419           | 61,017           | 298,628          |
| Financing expenses, net   | 196,030          | 195,406          | 1,041,864        |
|   | <b>491,718</b>   | <b>406,718</b>   | <b>2,095,608</b> |
| Profit before taxes on income   | 271,112          | 221,319          | 1,191,923        |
| Income tax expenses   | 72,484           | 56,363           | 250,320          |
| <b>Profit before the effect of the realization of reserves due to the first-time consolidation of Carr</b>          | <b>198,628</b>   | <b>164,956</b>   | <b>941,603</b>   |
| <b>Realization of translation difference reserve and other reserves due to the first-time consolidation of Carr</b> | -                | -                | 396,451          |
| <b>Net profit for the period</b>  | <b>198,628</b>   | <b>164,956</b>   | <b>545,152</b>   |
| <b>Distribution of net profit for the period:</b>   |                  |                  |                  |
| Company shareholders' share   | 76,536           | 66,974           | 7,439            |
| Share of non-controlling interests  | 122,092          | 97,982           | 537,713          |
|   | <b>198,628</b>   | <b>164,956</b>   | <b>545,152</b>   |

Comparison between the results of operations in the reporting period and in the corresponding period last year:

**Revenues from rental fees and management of investment property** - amounted to NIS 494 million in the reporting period, compared to NIS 349 million in the corresponding period last year, an increase of NIS 144 million (approx. 41%). Most of the increase is due to the first-time consolidation of Carr starting in the third quarter of 2025.

**Fair value adjustment of investment property** - In the reporting period, impairment losses of NIS 16 million were recorded from BE and approx. NIS 13 million from Carr. In the corresponding period last year, impairment losses of NIS 7 million were recorded, which were from BE, Carr being consolidated starting from the third quarter of 2025, and therefore the value adjustments in this regard were recorded last year as part of the Company's share in associates.

#### **Group share in the losses of associates, net**

In 2025, this item included the equity income of Amot's associates and of Carr, until the date of its first-time consolidation during the third quarter of 2025, and from that date, the operating results of Carr's associates were included.

**Net profits (losses) relating to investments in securities measured at fair value through profit and loss** - The profit (loss) in the reporting period and in the corresponding period last year stems from the fair value adjustment of investments measured at fair value through profit and loss (the Brockton Fund).

**Revenues from sale of electricity and green certificates** – Revenues from the sale of electricity and green certificates in the reporting period amounted to NIS 185 million compared to NIS 169 million in the corresponding period last year, an increase of NIS 16 million.

The increase stems from an increase in effective electricity prices and green certificate prices in Poland and the United States of approx. NIS 12 million, in addition to an increase of NIS 18 million due to project connections in the United States, Poland and Israel. These increases were offset by the strengthening of the NIS against the USD and the PLN in the amount of NIS 17 million and low outputs in Poland and the United States in the amount of NIS 4 million.

**Net financing expenses** - Financing expenses in the reporting period amounted to NIS 196 million compared to NIS 195 million in the corresponding period last year. The consolidation of Carr starting in the third quarter of 2025 resulted in an increase of NIS 49 million during the reporting period, which was mainly offset by the impact of the CPI (NIS 39 million, a decrease of 0.1% in the CPI in the first quarter of 2026 compared to an increase of 0.3% in the corresponding quarter last year).

**Income tax expenses** - In the reporting period, the Company did not create deferred tax assets due to the fact that they are not expected to be utilized in the near future.

2.5.2 The following is information regarding the Group's comprehensive income (loss) (in NIS thousands):

|  | Q1/2026          | Q1/2025          | 2025             |
|--|------------------|------------------|------------------|
|  | NIS<br>thousands | NIS<br>thousands | NIS<br>thousands |
|  | (Unaudited)      | (Unaudited)      | (Audited)        |
| <b>Net profit for the period</b>                                 | <b>198,628</b>   | <b>164,956</b>   | <b>545,152</b>   |
| Profit (loss) from investment in Carr (1,2)                      | (12,773)         | 11,515           | 215,873          |
| Profit (loss) from investment in BE (1,3)                        | (40,239)         | 125,248          | (198,473)        |
| Profit (loss) from investment in Energix (4)                     | (11,232)         | 59,378           | (193,295)        |
| Profit (loss) from other investments (mainly AH Boston (1)       | (1,142)          | 2,779            | (29,507)         |
| Tax effects  | (3,891)          | 200              | 3,895            |
| Other comprehensive income for the period                        | (69,277)         | 199,120          | (201,507)        |
| <b>Total comprehensive income for the period</b>                 | <b>129,351</b>   | <b>364,076</b>   | <b>343,645</b>   |
| <b>Allocation of comprehensive income (loss) for the period:</b> |                  |                  |                  |
| Share of Company shareholders                                    | <b>26,641</b>    | <b>209,475</b>   | <b>(22,136)</b>  |
| Share of non-controlling interests                               | 102,710          | 154,601          | 365,781          |
|  | <b>129,351</b>   | <b>364,076</b>   | <b>343,645</b>   |

(1) Profit (loss) from investment in respect of foreign currency - The profit (loss) represents the increase (decrease) in the Company's investments due to changes in the NIS against the investment currencies in the reporting periods presented above. This profit (loss) is presented net of the effect of forward transactions and cross-currency swap transactions in USD, designated as hedges for investments. In the first quarter of 2026, the NIS appreciated by 0.63% and 2.33% against the USD and the GBP, respectively. In the corresponding quarter last year, there was a devaluation of the NIS by a rate of 1.49% and 0.74% against the USD and the GBP, respectively.

(2) In addition to the description in Section 1 above, the total profit in Carr in the first quarter of 2026 also includes other comprehensive income in the amount of NIS 5.5 million resulting from the Company's share in changes in the fair value of interest rate fixing transactions carried out by Carr (in the corresponding period last year - a decrease in other comprehensive income in the amount of NIS 2 million due to changes in the fair value of Carr's interest rate fixing transactions).

(3) In addition to the description in Section 1 above, the other comprehensive income from the investment in BE also includes other comprehensive income in the amount of approx. NIS 20 million stemming from the changes in the fair value of interest rate fixing transactions carried out by BE (in the corresponding period, an other comprehensive loss of NIS 5.3 million).

(4) The loss in the reporting period is mainly due to the effect of exchange rates (net of hedging) at Energix due to the appreciation of the NIS against the USD, which was offset by a loss from electricity price fixing transactions in the United States. In the corresponding period last year, the profit is mainly due to the effect of exchange rates on Energix (net of hedging) due to the devaluation of the NIS against the USD and the PLN.

## 2.6 Cash Flows

|   | Q1/2026        | Q1/2025      | 2025           |
|---|----------------|--------------|----------------|
|   | NIS millions   | NIS millions | NIS millions   |
|   | (Unaudited)    | (Unaudited)  | (Audited)      |
| <b>Total cash provided by operating activities</b>  | <b>5</b>       | <b>64</b>    | <b>948</b>     |
| <b>Cash flows used in investing activities</b>  |                |              |                |
| Investment in investment property and fixed assets (including property in development)                  | (243)          | (353)        | (1,240)        |
| Proceeds from the realization of investment property  | 12             | 14           | 187            |
| Investment in electricity-generating systems  | (642)          | (442)        | (2,434)        |
| Investment in associates - Carr   | (25)           | -            | -              |
| Acquisition of Carr   | -              | -            | (185)          |
| Repaid hedging transactions   | 112            | (66)         | 6              |
| Repayment (provision) of loans, net   | 5              | -            | (3)            |
| Net increase in deposits (including encumbered deposits) and realization of tradable securities         | 83             | (17)         | (43)           |
| Other   | (5)            | (35)         | (102)          |
| <b>Total cash used in investing activities</b>  | <b>(703)</b>   | <b>(899)</b> | <b>(3,814)</b> |
| <b>Cash flows provided by financing activities</b>  |                |              |                |
| Receipt of loans (long-term loans and utilization of short-term bank credit)                            | 32             | 544          | 3,840          |
| Proceeds from the issuance of bonds   | -              | 503          | 1,924          |
| Repayment of liabilities (long-term loans, bonds and repayment of short-term credit)                    | (706)          | (828)        | (2,464)        |
| Capital raised by the Company   | 4              | -            | 351            |
| Proceeds from the issue of shares and options to non-controlling interests                              | 17             | 21           | 696            |
| Payment of dividends to Company shareholders and to non-controlling interests in consolidated companies | (159)          | (115)        | (645)          |
| <b>Total cash provided by financing activities</b>  | <b>(812)</b>   | <b>125</b>   | <b>3,702</b>   |
| <b>Total increase (decrease) in cash balances in the period</b>   | <b>(1,510)</b> | <b>(710)</b> | <b>836</b>     |
| <b>Other influences</b>   | <b>(27)</b>    | <b>20</b>    | <b>(97)</b>    |
| Cash and cash equivalents and designated deposit balance at beginning of period                         | 2,291          | 1,552        | 1,552          |
| Cash and cash equivalents and designated deposit balance at end of period                               | 754            | 862          | 2,291          |
| Less designated deposit   | (21)           | (31)         | (202)          |
| <b>Cash and cash equivalents at end of period</b>   | <b>733</b>     | <b>831</b>   | <b>2,089</b>   |

## 2.7 Equity

### 2.7.1 Equity per share

|  | As of<br>March 31<br>2026 | As of<br>December 31<br>2025 |
|--|---------------------------|------------------------------|
|  | NIS millions              | NIS millions                 |
| Equity   | 13,026                    | 13,089                       |
| Less non-controlling interests                                       | (7,439)                   | (7,480)                      |
| <b>Equity attributed to Company shareholders</b>                     | <b>5,587</b>              | <b>5,609</b>                 |
| <br>   |                           |                              |
| <b>Equity per Share (NAV per share)</b>                              | <b>24.7</b>               | <b>24.8</b>                  |
| <br>   |                           |                              |
| <b>Equity per share, not including tax reserves (NNAV per share)</b> | <b>29.1</b>               | <b>29.0</b>                  |

### 2.7.2 Explanation of changes in equity

During the reporting period, the capital attributed to the Company's shareholders decreased by NIS 22 million.

The main changes are as follows:

- Profit attributed to the Company shareholders in the amount of NIS 77 million - please see additional information in Section 2.5.2 above.
- Other comprehensive loss attributed to the Company shareholders in the amount of NIS 50 million - please see additional details in Section 2.5.3 above.
- A reduction in capital following dividends declared in the amount of NIS 57 million.
- Exercise of options in the amount of NIS 5 million.
- Profit from capital reserve for changes in holding in the amount of NIS 4 million.

### 2.7.3 Effects of exchange rate changes on the Company's equity

The composition of the excess assets over liabilities based on the Company's statements (expanded solo) by currency as of March 31, 2026 (in NIS millions)<sup>24</sup>:

|   | Assets | Liabilities,<br>including<br>financial<br>derivatives | Net assets | %    | Note |
|---|--------|---|------------|------|------|
| USD (for Carr and AH Boston)                          | 1,971  | (916)   | 1,055      | 19%  | 1    |
| GBP (for BE and BCF III)                              | 3,231  | (1,441)   | 1,790      | 32%  | 2    |
| Excess assets over liabilities in foreign<br>currency | 5,202  | (2,357)   | 2,845      | 51%  |      |
| Excess assets over liabilities in NIS                 | 6,211  | (3,469)   | 2,742      | 49%  | 3    |
| Equity as of March 31, 2026                           | 11,413 | (5,826)   | 5,587      | 100% |      |

(1) USD 333 million.

(2) GBP 427 million

(3) The assets totaling NIS 6.2 billion are due to the Company's investment in Amot and Energix.

For information regarding the effect of the appreciation of the NIS (relative to other currencies of the Group from the beginning of April 2026 until the date of publication of the report) on the capital attributable to the Company's shareholders, please see Note 2d to the financial statements.

### 2.7.4 Dividends distributed by the Company in 2026

For information regarding dividends distributed by the Company in 2026, please see Note 10(a) to the financial statements.

### 2.8 Remuneration of senior officers and directors

For information regarding options granted to the Company's senior officers and directors, please see Note 17e to the Annual Financial Statements and Note 10b to the financial statements.

For information regarding the new terms of service of the Company CEO and the Chairman of the Board of Directors for the years, please see Notes 19a and 19b to the Annual Financial Statements, respectively.

## 3. Market risk exposure and management

3.1 Over the course of the reporting period, no material changes have occurred in the types of market risks as reported in the Board of Directors Report for 2025 and in Company policy regarding the management of these risks.

3.2 Regarding the linkage base report for monetary balances (expanded solo) as of March 31, 2026, see Section 2.7.3 above and Appendix B.

<sup>24</sup> Including the effect of forward transactions and cross currency swaps (CCS) on the foreign currency.

## 4. Corporate governance aspects

### 4.1. The Company's Board of Directors

As of the date of publication of this report, the Company's Board of Directors has 9 directors, of which:

5 directors meet the definition of an independent director (Prof. Zvi Eckstein - External Director, CPA Shlomi Shuv - External Director, Dr. Samer Haj-Yehia - External Director, Ms. Rony Patishi-Chillim and Ms. Batsheva Moshe) and 8 directors have accounting and financial expertise (Mr. Natan Hetz, Mr. Aviram Wertheim, Prof. Zvi Eckstein, CPA Shlomi Shuv, Ms. Rony Patishi-Chillim, Dr. Samer Haj-Yehia, Mr. Ilan Gifman and Ms. Batsheva Moshe).

For years, the composition of the Company's Board of Directors has included a majority of Board members who are independent directors, even though the Company did not include a provision on this matter in its Articles of Association.

In this regard, "independent director" means a director who meets qualification requirements for the appointment of an independent director set in Section 240 (b) through (f) of the Companies Law, who has been approved by the Audit Committee, and who has not served as a Company director for over nine consecutive years, and in this regard a gap in their service of no longer than two years will not be seen as ending the continuity of their service.

### 4.2 The Company's Internal Auditor

On November 16, 2022, the Audit and Remuneration Committee approved a multi-year work plan for the years 2023-2026, subject to a new risk survey (which was carried out). At its meeting on November 23, 2025, the Audit and Remuneration Committee approved the work plan for 2026 (within the framework of the three-year work plan), which includes the following topics: (a) Making further investments in investees in 2024-2025; (b) Financing and cash flow; (c) Bank accounts and current investments; (d) Information systems - backups, restorations, disaster recovery and business continuity.

The Company's Board of Directors would like to thank the holders of Company securities for the confidence they have shown in the Company.

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Nathan Hetz

Director and CEO

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Aviram Wertheim

Chairman of the  
Board of Directors

Appendices to the Board of Directors' Report on the State of Corporate Affairs

Appendix A - Financial Information, Expanded Solo

Appendix B - Balance of Linkage Bases for Monetary Balances

Special Disclosure for Bondholders

Appendix D - Rating Reports

Appendix E - Separate Financial Statement of the Corporation in accordance with Regulation 9C and Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970

## Appendix A - Financial Information, Expanded Solo

### 1. Financial Statements – Expanded Solo

The Company's expanded solo financial statements are the Company's condensed financial statements presented in accordance with IFRS principles, except for the investments in Amot, in Energix and in Brockton Everlast, which are presented on an equity basis instead of consolidating their financial statements with those of the Company (all other investments are presented unchanged from the statements presented in accordance with IFRS principles). These Statements do not constitute separate financial statements as defined in International Accounting Standard IAS 27, and are not part of the information whose publishing is required in accordance with the securities laws. Nevertheless, the Company's management believes that analysts, investors, shareholders and bondholders may obtain valuable information from the presentation of this data.

#### 1.1 Condensed expanded solo balance sheet (NIS thousands):

|   | As of March 31 | As of December 31 |
|---|----------------|-------------------|
|   | 2026           | 2025              |
|   | NIS thousands  | NIS thousands     |
| <b><u>Current assets</u></b>                                      |                |                   |
| Cash and cash equivalents   | 18,183         | 374,672           |
| Other accounts receivable   | 44,414         | 89,232            |
| Total current assets  | 62,597         | 463,904           |
| <b><u>Non-current assets</u></b>                                  |                |                   |
| Securities measured at fair value through profit and loss         | 191,155        | 195,843           |
| Investments in Investees  | 11,108,008     | 11,138,807        |
| Miscellaneous   | 50,856         | 46,447            |
| Total non-current assets  | 11,350,019     | 11,381,097        |
| Total assets  | 11,412,616     | 11,845,001        |
| <b><u>Current liabilities</u></b>                                 |                |                   |
| Short-term credit and current maturities of long-term liabilities | 357,842        | 363,689           |
| Other accounts payable  | 104,109        | 187,311           |
| Total current liabilities   | 461,951        | 551,000           |
| <b><u>Non-current liabilities</u></b>                             |                |                   |
| Bonds and long-term loans   | 5,335,535      | 5,660,513         |
| Deferred taxes  | 4,897          | -                 |
| Miscellaneous   | 22,959         | 24,635            |
| Total non-current liabilities                                     | 5,363,391      | 5,685,148         |
| Equity  | 5,587,274      | 5,608,853         |
| Total liabilities and equity                                      | 11,412,616     | 11,845,001        |

## Financial Data - Expanded Solo

## 1.2 Condensed Expanded Solo Statements of Income (NIS thousands):

|   | Q1/2026       | Q1/2025       | 2025         |
|---|---------------|---------------|--------------|
|   | NIS           | NIS           | NIS          |
|   | thousands     | thousands     | thousands    |
|   | (Unaudited)   | (Unaudited)   | (Audited)    |
| <b>Revenue</b>  |               |               |              |
| Group share in the profits of associates, net   | 141,711       | 146,482       | 588,958      |
| Profit from acquisition of Carr and change in rate of holding   | -             | -             | 116,596      |
| Net loss relating to investments in long-term securities held for sale  | (1,299)       | (10,174)      | (14,299)     |
| Other revenues, net   | 5,342         | 5,553         | 22,380       |
|   | 145,754       | 141,861       | 713,635      |
| <b>Expenses</b>   |               |               |              |
| Administrative and general  | 9,690         | 8,398         | 39,068       |
| Financing expenses, net   | 58,471        | 61,362        | 254,466      |
|   | 68,161        | 69,760        | 293,534      |
| <b>Profit before the effect of the realization of reserves due to the first-time consolidation of Carr</b>          | 77,593        | 72,101        | 420,101      |
| Income tax expenses   | 1,057         | 5,127         | 16,211       |
| <b>Profit for the period</b>  | 76,536        | 66,974        | 403,890      |
| <b>Realization of translation difference reserve and other reserves due to the first-time consolidation of Carr</b> | -             | -             | (396,451)    |
| <b>Net profit for the period</b>  | <b>76,536</b> | <b>66,974</b> | <b>7,439</b> |

|  | Q1/2026        | Q1/2025        | 2025           |
|--|----------------|----------------|----------------|
|  | NIS            | NIS            | NIS            |
|  | thousands      | thousands      | thousands      |
|  | (Unaudited)    | (Unaudited)    | (Audited)      |
| <b>Group share in the losses of associates, net</b>                      |                |                |                |
| Group share in Amot's equity income                                      | 81,571         | 81,212         | 394,708        |
| Group share in Energix's equity income                                   | 28,453         | 21,095         | 125,340        |
| Group share in Carr's equity income                                      | 18,052         | 46,273         | 44,002         |
| Group share in BE's equity income  | 14,596         | (4,380)        | 93,425         |
| Group share in the equity income of other investments (mainly AH Boston) | (961)          | 2,282          | (68,517)       |
| <b>Total</b>   | <b>141,711</b> | <b>146,482</b> | <b>588,958</b> |

### 1.3 Cash flow from the Company's operating activities - expanded solo (NIS thousands):

Starting from the financial statements as of the end of 2024, the Company began presenting a Statement of Cash Flows from Operating Activities (despite the fact that such presentation is not required under generally accepted accounting principles, including securities regulations regarding the publication of annual financial statements).

In view of the variation between quarters in all matters relating to interest payment dates and the dates for the receipt of dividends from investees (dates that vary from year to year), the Company will publish the aforementioned Statement in an annual format as part of the periodic reports.

### 2. The Company's liabilities (expanded solo) payable after March 31, 2026:

|   | Bonds            | Bank loans       | Total            | %   |
|---|------------------|------------------|------------------|-----|
|   | NIS<br>thousands | NIS<br>thousands | NIS<br>thousands |     |
| Current maturities  | 355,919          | -                | 355,919          | 6   |
| Second year   | 993,967          | -                | 993,967          | 17  |
| Third year  | 993,967          | 30,982           | 1,024,949        | 17  |
| Fourth year   | 717,006          | -                | 717,006          | 12  |
| Fifth year  | 717,006          | -                | 717,006          | 12  |
| Sixth year onward   | 2,107,910        | -                | 2,107,910        | 36  |
| Total repayments  | 5,885,775        | 30,982           | 5,916,757        | 100 |
| Miscellaneous   |                  |                  | (211,626)        |     |
| Balance of asset related to financial derivative transactions                             |                  |                  | (39,074)         |     |
| Total financial debt (taking into account the value of financial derivative transactions) |                  |                  | 5,666,057        |     |

(\* ) Including the effect of swap transactions with financial entities in Israel, so that NIS bonds were "converted" to liabilities in USD and GBP, and to liabilities linked to the CPI.

## Appendix B - Balance of Linkage Bases for Monetary Balances (Expanded Solo)

| As of March 31, 2026<br>NIS thousands   | In NIS<br>Unlinked<br>NIS | In NIS<br>CPI-<br>Linked | In USD<br>USA    | In GBP             | Other          | Total              | Adjustments<br>- non-<br>monetary<br>items | Total             |
|---|---------------------------|--------------------------|------------------|--------------------|----------------|--------------------|--|-------------------|
| <b>Current assets</b>   |                           |                          |                  |                    |                |                    |  |                   |
| Cash and cash equivalents   | 13,866                    | -                        | 3,379            | 512                | 426            | 18,183             | -  | 18,183            |
| Other accounts receivable   | 28,207                    | -                        | 102              | -                  | -              | 28,309             | 16,105                                     | 44,414            |
| <b>Total current assets</b>   | <b>42,073</b>             | <b>-</b>                 | <b>3,481</b>     | <b>512</b>         | <b>426</b>     | <b>46,492</b>      | <b>16,105</b>                              | <b>62,597</b>     |
| <b>Non-current assets</b>   |                           |                          |                  |                    |                |                    |  |                   |
| Securities measured at fair value through profit and loss   | 5                         | -                        | -                | 191,150            | -              | 191,155            | -  | 191,155           |
| Investments in associates   | -                         | -                        | -                | -                  | -              | -                  | 11,108,008                                 | 11,108,008        |
| Miscellaneous   | 48,981                    | -                        | -                | -                  | -              | 48,981             | 1,875                                      | 50,856            |
| <b>Total non-current assets</b>   | <b>48,986</b>             | <b>-</b>                 | <b>-</b>         | <b>191,150</b>     | <b>-</b>       | <b>240,136</b>     | <b>11,109,883</b>                          | <b>11,350,019</b> |
| <b>Total assets</b>   | <b>91,059</b>             | <b>-</b>                 | <b>3,481</b>     | <b>191,662</b>     | <b>426</b>     | <b>286,628</b>     | <b>11,125,988</b>                          | <b>11,412,616</b> |
| <b>Current liabilities</b>  |                           |                          |                  |                    |                |                    |  |                   |
| Short-term credit and current maturities of long-term liabilities                                       | 357,842                   | -                        | -                | -                  | -              | 357,842            | -  | 357,842           |
| Other payables  | 84,670                    | 13,496                   | -                | -                  | -              | 98,166             | 5,943                                      | 104,109           |
| <b>Total current liabilities</b>  | <b>442,512</b>            | <b>13,496</b>            | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>456,008</b>     | <b>5,943</b>                               | <b>461,951</b>    |
| <b>Non-current liabilities</b>  |                           |                          |                  |                    |                |                    |  |                   |
| Bonds and long-term loans   | 4,146,489                 | 1,189,046                | -                | -                  | -              | 5,335,535          | -  | 5,335,535         |
| Deferred tax liabilities  | -                         | -                        | -                | -                  | -              | -                  | 4,897                                      | 4,897             |
| Miscellaneous   | 22,005                    | -                        | 792              | -                  | -              | 22,797             | 162  | 22,959            |
| <b>Total non-current liabilities</b>  | <b>4,168,494</b>          | <b>1,189,046</b>         | <b>792</b>       | <b>-</b>           | <b>-</b>       | <b>5,358,332</b>   | <b>5,059</b>                               | <b>5,363,391</b>  |
| <b>Total liabilities</b>  | <b>4,611,006</b>          | <b>1,202,542</b>         | <b>792</b>       | <b>-</b>           | <b>-</b>       | <b>5,814,340</b>   | <b>11,002</b>                              | <b>5,825,342</b>  |
| <b>Excess assets over liabilities (liabilities over assets)</b>   |                           |                          |                  |                    |                |                    |  |                   |
|   | <b>(4,519,947)</b>        | <b>(1,202,542)</b>       | <b>2,689</b>     | <b>191,662</b>     | <b>426</b>     | <b>(5,527,712)</b> | <b>11,114,986</b>                          | <b>5,587,274</b>  |
| Financial derivatives   | 2,606,978                 | (250,000)                | (915,081)        | (1,441,897)        | -              | -                  | -  | -                 |
| <b>Excess financial assets over financial liabilities (financial liabilities over financial assets)</b> |                           |                          |                  |                    |                |                    |  |                   |
|   | <b>(1,912,969)</b>        | <b>(1,452,542)</b>       | <b>(912,392)</b> | <b>(1,250,235)</b> | <b>426</b>     | <b>(5,527,712)</b> | <b>11,114,986</b>                          | <b>5,587,274</b>  |
| Distribution of non-monetary assets (liabilities), net - by linkage basis                               |                           |                          |                  |                    |                |                    |  |                   |
|   | 1,242,867                 | 4,866,625                | 1,967,457        | 3,040,487          | (2,450)        | 11,114,986         | (11,114,986)                               | -                 |
| <b>Excess assets over liabilities (liabilities over assets)</b>   |                           |                          |                  |                    |                |                    |  |                   |
|   | <b>(670,102)</b>          | <b>3,414,083</b>         | <b>1,055,065</b> | <b>1,790,252</b>   | <b>(2,024)</b> | <b>5,587,274</b>   | <b>-</b>                                   | <b>5,587,274</b>  |

## Appendix C – Special Disclosure for Bondholders

### 1.) FFO adjusted for the Company's liabilities

The Company has committed, in the trust deeds of its bond series and in credit agreements with financing entities, to financial covenants based on the calculation of FFO as stipulated in the trust deeds and in the aforementioned credit facility agreements. The following is the calculation of the FFO for the purpose of examining compliance with the criteria to which the Company has committed in the trust deeds for the Company's bonds (Series I, J, K, L, M, O, P and Q) and the credit facility agreements in which the Company has engaged (please see Section 5.2.2 of the report on the Description of the Corporation's Business in the 2024 Periodic Report). It should be emphasized that the FFO presented below is not according to the Securities Authority approach to calculating FFO, as published by the Authority on January 16, 2025.

The following is the FFO calculation according to the Management's approach

(in NIS thousands):

|   | Q1/2026          | Q1/2025          | 2025               |
|---|------------------|------------------|--------------------|
|   | NIS              | NIS              | NIS                |
|   | thousands        | thousands        | thousands          |
| <b>Share of Company shareholders in the loss for the period</b>                                   | <b>76,536</b>    | <b>66,974</b>    | <b>7,439</b>       |
| <b>Adjustments to profit and loss:</b>  |                  |                  |                    |
| Fair value adjustments of investment property   | 16,346           | (7,225)          | (385,136)          |
| Company share in property revaluations and other non-FFO items in investees                       | 3,230            | (11,683)         | 161,864            |
| Profit from Carr's conceptual realization and gain of control                                     | -                | 72               | (116,502)          |
| Realization of capital reserves due to the gaining of control in Carr                             | -                | -                | 396,451            |
| Revenue from sale of tax benefits   | (84,346)         | (58,927)         | (407,768)          |
| Net losses (profits) from investments in securities measured at fair value through profit or loss | 1,299            | 10,174           | 10,376             |
| Others (mainly depreciation and amortizations) (*)  | 93,721           | 62,870           | 379,008            |
| Non-FFO financing expenses (mainly linkage differences and exchange rate differences)             | (7,469)          | 17,391           | 331,642            |
| Non-FFO deferred taxes and current taxes, net   | 41,362           | 37,122           | 148,859            |
| Share of non-controlling interests in the above adjustments to FFO                                | (22,288)         | (15,205)         | (29,576)           |
| <b>Real FFO - according to the Management's approach</b>  | <b>118,391</b>   | <b>101,563</b>   | <b>496,657</b>     |
| The sources of the FFO are as follows:  |                  |                  |                    |
| <b>Revenue</b>  |                  |                  |                    |
| Investment property NOI   | 393,553          | 300,345          | 1,388,272          |
| NOI from the sale of electricity  | 150,362          | 126,705          | 628,369            |
| Group's share in FFO of associates  | 18,956           | 41,443           | 121,403            |
| Other revenue   | 1,166            | 576              | 4,464              |
| <b>Total revenue</b>  | <b>564,037</b>   | <b>469,069</b>   | <b>2,142,508</b>   |
| <b>Expenses</b>   |                  |                  |                    |
| Real financing, net   | (203,499)        | (178,014)        | (710,222)          |
| Administrative and general  | (66,951)         | (57,064)         | (266,879)          |
| Current taxes   | (30,864)         | (19,241)         | (101,461)          |
| Share of non-controlling interests attributed to operating activities                             | (144,332)        | (113,187)        | (567,289)          |
| <b>Total expenses</b>   | <b>(445,646)</b> | <b>(367,506)</b> | <b>(1,645,851)</b> |
| <b>Real FFO - according to the Management's approach</b>  | <b>118,391</b>   | <b>101,563</b>   | <b>496,657</b>     |

## 2.) Special Disclosure for Bondholders

**The following is current data as of March 31, 2026 regarding bonds issued by the Company:**

| (in thousands)  | Bonds<br>(Series I) | Bonds<br>(Series J) | Bonds<br>(Series K) | Bonds<br>(Series L) | Bonds<br>(Series M) | Bonds<br>(Series O) | Bonds<br>(Series Q) | Bonds<br>(Series P) | Total     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------|
| Par value   | 155,864             | 200,055             | 160,746             | 2,054,943           | 1,861,029           | 1,050,480           | 196,170             | 102,352             | 5,781,639 |
| Linked par value                                      | 155,864             | 200,055             | 160,746             | 2,054,943           | 1,861,029           | 1,154,619           | 196,170             | 102,352             | 5,885,778 |
| Value in the financial statements (at amortized cost) | 157,1               | 200,704             | 159,638             | 1,969,850           | 1,785,662           | 1,087,716           | 194,385             | 101,330             | 5,656,424 |
| Stock market value                                    | 154,945             | 203,756             | 150,731             | 1,916,645           | 1,879,081           | 1,127,690           | 210,392             | 105,597             | 5,748,837 |
| Accrued interest                                      | 510                 | 1,060               | 363                 | 4,206               | 7,808               | 2,510               | 320                 | 950                 | 17,727    |

**The following are the main financial covenants of the Company's bonds (Series I, J, K, L, M, O, P and Q):**

| Financial ratio   |              | Criterion     | Value as of March 31, 2026 |
|---|--------------|---------------|----------------------------|
| Net financial debt to value of holdings <sup>25</sup>           | %            | Less than 80% | 49.5%                      |
| Minimum equity (Series I, J, K, L, M, O, P and Q) <sup>26</sup> | NIS billions | More than 2.2 | 5.6                        |

For additional information, please see Section 5.2.2 of Chapter G to the Description of the Corporation's Business in the 2025 Periodic Report.

<sup>25</sup> Value of the holdings as defined in the trust deed. In order for grounds to exist for early redemption, the breach of the financial ratio must exist for four consecutive quarters.

<sup>26</sup> In order for there to be grounds for early repayment, the breach of the above provision must exist for four consecutive quarters. For Series I and J - the minimum equity is NIS 1.8 billion, for Series K and L - the minimum equity is NIS 2.1 billion and for Series M, O, P and Q - the minimum equity is NIS 2.2 billion. The figure presented in the table is the strictest of the series due to the cross-violation clause that exists in the series.

## Appendix D - Rating Reports<sup>27</sup>

As of the date of publication of this report:

- The Company's bonds (Series I, J, K, L, M, O, P and Q) are rated ilAA- with a stable rating outlook by Maalot. The issuer's rating is the same. For a current rating report by Maalot, the Israeli Securities Rating Company Ltd. in which the Company's rating was ratified, please see Maalot's immediate report dated April 20, 2026 (Ref: 2026-15-036659).
- The Company's bonds (Series I, J, L, M, O, P and Q) are rated Aa3 with a stable outlook by Midroog. The issuer's rating is the same. For a rating report by Midroog, in which the Company's rating was ratified, please see Midroog's immediate report dated May 18, 2026 (Ref: 2026-15-045699).

<sup>27</sup> The detailed information in the above immediate reports was included in this report by way of reference.

## Appendix E - Separate Financial Statement of the Corporation in accordance with Regulation 9C and Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970

The Company chose not to attach a separate financial statement in accordance with Regulation 9C and Regulation 38D of the Securities Regulations (Periodic and Immediate Reports) 1970, since, according to its judgement, the separate financial statement does not add material information to the information contained in the annual financial statements and/or the quarterly financial statements of the Corporation that were presented in accordance with Regulation 9 and Regulation 38, as the case may be.

## Appendix F – Material Assets<sup>28</sup>

The following is information regarding a material asset - One Congress, an income-generating property (the above information relates to 100% of the project. Carr's share in the property as of March 31, 2026 is 75%:

| Parameters  | March 31, 2026   |
|---|--|
| <b>Subject of the valuation</b>   | Income-generating property   |
| <b>Property name</b>  | One Congress   |
| <b>Carr's share in the property</b>   | 75%  |
| <b>Property location</b>  | 1 Congress St. Boston, MA 02114  |
| <b>Size (leasable sq.ft.)</b>   | 1,008,122  |
| <b>Main use</b>   | Offices  |
| <b>Identity of appraiser<sup>29</sup></b>   | Caitlin Bevis - Breakpoint Advisors  |
| <b>About the appraiser</b>  | Ms. Caitlin Bevis (MAI) is the Managing Partner of Breakpoint Advisors, a real estate appraisal and consulting firm whose main clients are institutional clients. Ms. Bevis is a member of the Appraisal Institute and holds an appraisal license in various states. Ms. Bevis specializes in the appraisal of most types of real estate throughout the United States. Ms. Bevis focuses mainly on the appraisal of offices located in CBD and suburban areas as well as industrial, commercial and residential properties. Ms. Bevis also teaches and coaches students and colleagues at the Steers Center for Global Real Estate at Georgetown University's School of Business. Previously, she served as a property manager for a portfolio of medical offices. Prior to founding Breakpoint, Ms. Bevis held management positions at Capright Appraisals as the Boston Branch Manager, and before that as an appraiser at Walden Merling. Ms. Bevis holds a Master of Arts degree from the University of Chicago and has over 23 years of experience in commercial real estate. |
| <b>Independence of appraiser</b>  | The appraiser is independent.  |
| <b>Indemnity agreement?</b>   | There is indemnity on the part of Carr, except in cases of negligence or misconduct on the part of the appraiser.  |
| <b>Valuation date<sup>29</sup></b>  | 31/12/2025   |
| <b>Valuation model</b>  | Income approach (DCF)  |
| <b>Fair value shortly before the valuation date (fair value as of June 30, 2025) (100% of the asset) (USD millions)</b> | 1,020.6  |
| <b>Fair value as of the valuation date (March 31, 2026) (100% of the asset) (USD millions)</b>                          | 1,020.9  |
| <b>Revaluation losses in the first quarter of 2026 (100% of the asset) (USD millions)</b>                               | (1.9)  |
| <b>Revaluation gains in 2026 (100% of the asset) (USD millions)</b>   | 26   |
| <b>Discount rate</b>  | 6.5%   |
| <b>Exit rate</b>  | 7.5%   |
| <b>Annual inflation rate for market rental fees</b>   | Years 1-2 – 0%<br>Year 3 – 2%<br>Year 4 onwards – 3%   |
| <b>Inflation rate for expenses</b>  | Year 2 onwards – 3%  |
| <b>Probability of renewal</b>   | 65%  |
| <b>Marketing period for tenant replacement</b>  | 12 months  |
| <b>The first months exempt from rent</b>  | 10 months (for a 10-year rental period)  |

<sup>28</sup> In accordance with the proposed amendment to the Securities Regulations to establish "Disclosure Guidance regarding Investment Real Estate Activities" from December 2023.

<sup>29</sup> The valuation was carried out by the appraiser as of December 2025, and was updated to March 31, 2026 by Carr based on the same working assumptions of the model from December 31, 2025, as Carr's assessment is that these estimates are also valid for this date.



THE DOVETAIL BUILDING / BROCKTON EVERLAST / LONDON / UK / SIMULATION

# CONSOLIDATED FINANCIAL STATEMENTS

ALONY HETZ PROPERTIES & INVESTMENTS LTD





## A Review Report of the Independent Auditor to the shareholders of Alony Hetz Properties & Investments Ltd.

### Introduction

We have reviewed the accompanying financial information of **Alony Hetz Properties & Investments Ltd.** and consolidated companies (hereafter- "the Company") which includes the condensed consolidated statement of financial position as of March 31, 2026 and the related condensed consolidated statements profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended. The Board of Directors and management are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 "Interim Financial Reporting" and they are also responsible for the preparation of this interim financial information in accordance with Chapter D of Securities Regulations (Periodic and Immediate Reports) - 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the interim condensed financial information of consolidated companies, whose assets included in consolidation constitute approximately 18% of total consolidated assets as of March 31, 2026, and whose revenues included in consolidation constitute approximately 25% of total consolidated revenues from rental fees, management of investment property and sale of electricity, green certificates and revenue from sale of tax benefits, for the three-month period then ended. Furthermore, we did not review the interim condensed financial information of companies accounted for under the equity method basis, the investment in which amounted to approximately 372 million NIS as of March 31, 2026 and the share of whose results for three-month period then ended, amounted to profit of approximately 12 million NIS. The interim condensed financial information of those companies was reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the financial information included for those companies, is based on the review reports of the other auditors.

### Scope of Review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel "Review of Interim Financial Information Performed by the Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the abovementioned financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the statements in the previous paragraph, based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the abovementioned financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports) - 1970.

**Brightman Almagor Zohar & Co.**  
**Certified Public Accountants**  
**A Firm in the Deloitte Global Network**

Tel Aviv, May 19, 2026

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הפנינה 8,  
רעננה

**משרד בית שמש**  
יגאל אלון 1  
בית שמש, 9906201

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Financial Position**

|  | As of March 31    |                   | As of December 31 |
|--|-------------------|-------------------|-------------------|
|  | 2026              | 2025              | 2025              |
|  | NIS thousands     | NIS thousands     | NIS thousands     |
|  | (Unaudited)       | (Unaudited)       | (Audited)         |
| <b>Assets</b>  |                   |                   |                   |
| <b>Current assets</b>  |                   |                   |                   |
| Cash and cash equivalents  | 733,160           | 832,016           | 2,089,050         |
| Restricted deposits and liens  | 142,377           | 44,113            | 414,970           |
| Trade receivables  | 140,519           | 111,148           | 122,523           |
| Current tax assets, net  | 91,299            | 26,601            | 89,268            |
| Other receivables  | 445,088           | 316,730           | 526,004           |
| <b>Total current assets</b>  | <b>1,552,443</b>  | <b>1,330,608</b>  | <b>3,241,815</b>  |
| <b>Non-current assets</b>  |                   |                   |                   |
| Investment property  | 24,911,885        | 20,147,536        | 24,988,174        |
| Investment property in development and land rights                   | 6,031,313         | 5,481,492         | 6,016,638         |
| Long-term investments:   |                   |                   |                   |
| Securities measured at fair value through profit and loss            | 191,155           | 219,616           | 195,843           |
| Investment in companies accounted for according to the equity method | 1,075,481         | 2,160,971         | 1,010,517         |
| Deferred tax assets  | 267,117           | 236,572           | 276,150           |
| Electricity-generating facilities:                                   |                   |                   |                   |
| Connected electricity-generating facilities                          | 6,537,057         | 5,970,870         | 6,578,233         |
| Right-of-use asset   | 648,763           | 633,156           | 637,507           |
| Electricity-generating facilities in development                     | 4,507,192         | 3,989,243         | 3,816,543         |
| Restricted deposits and liens  | 20,712            | 30,966            | 20,821            |
| Fixed assets, net  | 133,015           | 120,490           | 133,641           |
| Other assets   | 443,192           | 433,880           | 411,574           |
| <b>Total non-current assets</b>                                      | <b>44,766,882</b> | <b>39,424,792</b> | <b>44,085,641</b> |
| <b>Total assets</b>  | <b>46,319,325</b> | <b>40,755,400</b> | <b>47,327,456</b> |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Financial Position**

|  | As of March 31    |                   | As of December 31 |
|--|-------------------|-------------------|-------------------|
|  | 2026              | 2025              | 2025              |
|  | NIS thousands     | NIS thousands     | NIS thousands     |
|  | (Unaudited)       | (Unaudited)       | (Audited)         |
| <b>Liabilities and equity</b>                                    |                   |                   |                   |
| <b>Current liabilities</b>                                       |                   |                   |                   |
| Short term credit and current maturities of long term loans      | 2,050,780         | 661,067           | 1,363,250         |
| Current maturities of bonds                                      | 969,195           | 1,149,657         | 1,129,704         |
| Current maturities of lease liabilities                          | 41,451            | 37,877            | 41,215            |
| Current tax liabilities, net                                     | 64,478            | 94,745            | 126,881           |
| Other payables   | 1,334,994         | 1,673,455         | 1,450,663         |
| Deferred revenue in respect of agreement with the tax partner    | 324,201           | 214,365           | 321,040           |
| Financial liability in respect of agreement with the tax partner | 35,558            | 47,308            | 35,213            |
| <b>Total current liabilities</b>                                 | <b>4,820,657</b>  | <b>3,878,474</b>  | <b>4,467,966</b>  |
| <b>Non-current liabilities</b>                                   |                   |                   |                   |
| Bonds  | 14,825,084        | 14,078,973        | 15,287,203        |
| Loans from banking corporations and financial institutions       | 9,309,077         | 6,732,555         | 10,020,434        |
| Lease liability  | 712,400           | 694,982           | 706,958           |
| Deferred tax liabilities   | 2,197,464         | 2,077,289         | 2,153,270         |
| Provisions   | 16,483            | 16,483            | 16,483            |
| Other liabilities  | 730,336           | 841,153           | 812,132           |
| Deferred revenue in respect of agreement with the tax partner    | 588,009           | 529,301           | 659,326           |
| Financial liability in respect of agreement with the tax partner | 93,781            | 88,846            | 114,497           |
| <b>Total non-current liabilities</b>                             | <b>28,472,634</b> | <b>25,059,582</b> | <b>29,770,303</b> |
| <b>Equity</b>  |                   |                   |                   |
| Equity attributed to Company shareholders                        | 5,587,274         | 5,572,385         | 5,608,853         |
| Non-controlling interests  | 7,438,760         | 6,244,959         | 7,480,334         |
| <b>Total equity</b>  | <b>13,026,034</b> | <b>11,817,344</b> | <b>13,089,187</b> |
| <b>Total liabilities and equity</b>                              | <b>46,319,325</b> | <b>40,755,400</b> | <b>47,327,456</b> |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

On behalf of the Board of Directors:

Aviram Wertheim \_\_\_\_\_ Chairman of the Board of Directors

Nathan Hetz \_\_\_\_\_ Member of the Board of Directors and CEO

Oren Frenkel \_\_\_\_\_ CFO

May 19, 2026

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Income**

|  | For the three month<br>period ended March 31 | For the three month<br>period ended March 31 | For the year ended<br>December 31 |
|--|--|--|-----------------------------------|
|  | 2026   | 2025   | 2025                              |
|  | NIS thousands                                | NIS thousands                                | NIS thousands                     |
|  | (Unaudited)                                  | (Unaudited)                                  | (Audited)                         |
| <b>Revenues and profits</b>  |  |  |                                   |
| Revenue from rental fees and management of investment property   | 493,558                                      | 349,134                                      | 1,668,831                         |
| Fair value adjustments of investment property  | (16,346)                                     | 7,225  | 385,136                           |
| Group share in the profits (losses) of associates, net   | 15,990                                       | 53,126                                       | (40,461)                          |
| Net losses from investments in securities measured at fair value through profit and loss                   | (1,299)                                      | (10,174)                                     | (10,376)                          |
| Gain from acquisition of control in Carr and from decrease in holding rate                                 | -  | -  | 116,502                           |
| Revenues from sale of electricity and green certificates   | 185,372                                      | 169,293                                      | 755,665                           |
| Revenues from sale of tax benefits (*)   | 84,346                                       | 58,927                                       | 407,768                           |
| Other revenues, net  | 1,209  | 506  | 4,466                             |
|  | <b>762,830</b>                               | <b>628,037</b>                               | <b>3,287,531</b>                  |
| <b>Costs and expenses</b>  |  |  |                                   |
| Cost of investment property rental and operation   | 100,006                                      | 48,789                                       | 280,555                           |
| Initiation, maintenance and operation costs of electricity-generating facilities                           | 53,231                                       | 41,199                                       | 167,944                           |
| Depreciation and amortizations   | 68,032                                       | 60,307                                       | 306,617                           |
| Administrative and general   | 74,419                                       | 61,017                                       | 298,628                           |
| Realization of translation difference reserve and other reserves due to the acquisition of control in Carr | -  | -  | 396,451                           |
| Financing income   | (13,130)                                     | (13,788)                                     | (79,219)                          |
| Financing expenses   | 209,160                                      | 209,194                                      | 1,121,083                         |
|  | <b>491,718</b>                               | <b>406,718</b>                               | <b>2,492,059</b>                  |
| <b>Profit before taxes on income</b>   | <b>271,112</b>                               | <b>221,319</b>                               | <b>795,472</b>                    |
| Income tax expenses (*)  | 72,484                                       | 56,363                                       | 250,320                           |
| <b>Net profit for the period</b>   | <b>198,628</b>                               | <b>164,956</b>                               | <b>545,152</b>                    |
| <b>Company shareholders</b>  | <b>76,536</b>                                | <b>66,974</b>                                | <b>7,439</b>                      |
| Non-controlling interests  | 122,092                                      | 97,982                                       | 537,713                           |
|  | <b>198,628</b>                               | <b>164,956</b>                               | <b>545,152</b>                    |
| <b>Net income attributable to Company shareholders (in NIS):</b>   |  |  |                                   |
| Basic  | 0.34   | 0.31   | 0.03                              |
| Fully diluted  | 0.34   | 0.31   | 0.03                              |
| <b>Weighted average share capital used in calculation of earnings per share (thousands of shares)</b>      |  |  |                                   |
| Basic  | 226,209                                      | 215,033                                      | 215,593                           |
| Fully diluted  | 226,498                                      | 215,169                                      | 215,773                           |

(\*) Reclassified - see Note 2a.2.

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Comprehensive Income**

|   | For the three<br>month period<br>ended March<br>31<br>2026 | For the three<br>month period<br>ended March<br>31<br>2025 | For the year<br>ended<br>December<br>31<br>2025 |
|---|--|--|---|
|   | NIS<br>thousands<br>(Unaudited)                            | NIS<br>thousands<br>(Unaudited)                            | NIS<br>thousands<br>(Audited)                   |
| <b>Net profit for the period</b>  | 198,628  | 164,956  | 545,152   |
| <b>Other comprehensive income</b>   |  |  |   |
| <b>Amounts to be classified in the future to profit and loss, net of tax</b>  |  |  |   |
| Profit (loss) from the translation of financial statements for foreign activities   | (130,841)  | 289,545  | (872,859)                                       |
| Profit (loss) from exchange rate differences in respect of credit and derivatives designated for the hedging of investments in companies that constitute foreign activity, net of tax | 32,755   | (105,712)  | 321,205   |
| Profit (loss) from exchange rate differences and changes in fair value of instruments used for cash flow hedging, net of tax  | 28,809   | 18,191   | (41,103)  |
| Company's share in other comprehensive income of associates, net of tax   | -  | (2,904)  | (5,201)   |
| Realization of capital reserves due to acquisition of Carr  | -  | -  | 396,451   |
| <b>Other comprehensive income (loss) for the period, net of tax</b>   | <b>(69,277)</b>  | <b>199,120</b>   | <b>(201,507)</b>                                |
| <b>Total comprehensive income for the period</b>  | <b>129,351</b>   | <b>364,076</b>   | <b>343,645</b>                                  |
| <b>Attribution of comprehensive income (loss) for the period</b>  |  |  |   |
| <b>Company shareholders</b>   | <b>26,641</b>  | <b>209,475</b>   | <b>(22,136)</b>                                 |
| Non-controlling interests   | 102,710  | 154,601  | 365,781   |
|   | 129,351  | 364,076  | 343,645   |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Three-Month Period ended March 31, 2026 (Unaudited) (NIS thousands)**

|   | Share capital  | Share premium    | Capital reserve from translation of financial statements for foreign activity | Capital reserve for employee options and other capital reserves | Company shares held by the Group | Retained earnings | Total attributed to Company shareholders | Non-controlling interests | Total equity      |
|---|----------------|------------------|---|---|----------------------------------|-------------------|--|---------------------------|-------------------|
| <b>Balance as of January 1, 2026</b>                                  | 244,172        | 4,126,984        | (680,349)   | 467,216   | (589)                            | 1,451,419         | 5,608,853                                | 7,480,334                 | 13,089,187        |
| <b>Total comprehensive income for the period</b>                      | -              | -                | (70,630)  | 20,735  | -                                | 76,536            | 26,641                                   | 102,710                   | 129,351           |
| Dividends declared and not yet paid to Company shareholders           | -              | -                | -   | -   | -                                | (56,586)          | (56,586)                                 | -                         | (56,586)          |
| Dividends paid to non-controlling interests in consolidated companies | -              | -                | -   | -   | -                                | -                 | -  | (159,413)                 | (159,413)         |
| Exercise of employee options  | 142            | 5,024            | -   | (616)   | -                                | -                 | 4,550                                    | -                         | 4,550             |
| Exercise of employee options in consolidated companies                | -              | -                | -   | 2,819   | -                                | -                 | 2,819                                    | 9,125                     | 11,944            |
| Allocation of benefit in respect of options to employees and officers | -              | -                | -   | 997   | -                                | -                 | 997                                      | 6,004                     | 7,001             |
| <b>Balance as of March 31, 2026</b>                                   | <b>244,314</b> | <b>4,132,008</b> | <b>(750,979)</b>  | <b>491,151</b>  | <b>(589)</b>                     | <b>1,471,369</b>  | <b>5,587,274</b>                         | <b>7,438,760</b>          | <b>13,026,034</b> |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Three-Month Period ended March 31, 2025 (Unaudited) (NIS thousands)**

|  | Share capital  | Share premium    | Receipts on account of options | Capital reserve from translation of financial statements for foreign activity | Capital reserve for employee options and other capital reserves | Company shares held by the Group | Retained earnings | Total attributed to Company shareholders | Non-controlling interests | Total equity      |
|--|----------------|------------------|--------------------------------|---|---|----------------------------------|-------------------|--|---------------------------|-------------------|
| <b>Balance as of January 1, 2025</b>                                       | 233,107        | 3,751,981        | 27,626                         | (636,807)   | 387,117   | (589)                            | 1,651,141         | 5,413,576                                | 6,218,950                 | 11,632,526        |
| <b>Total comprehensive income for the period</b>                           | -              | -                | -                              | 137,578   | 4,923   | -                                | 66,974            | 209,475                                  | 154,601                   | 364,076           |
| Dividends declared and not yet paid to Company shareholders                | -              | -                | -                              | -   | -   | -                                | (51,608)          | (51,608)                                 | -                         | (51,608)          |
| Dividends declared for non-controlling interests in consolidated companies | -              | -                | -                              | -   | -   | -                                | -                 | -  | (142,749)                 | (142,749)         |
| Issuance of capital in consolidated companies                              | -              | -                | -                              | -   | (39)  | -                                | -                 | (39)                                     | 8,618                     | 8,579             |
| Allocation of benefit in respect of options to employees and officers      | -              | -                | -                              | -   | 981   | -                                | -                 | 981                                      | 5,539                     | 6,520             |
| <b>Balance as of March 31, 2025</b>  | <b>233,107</b> | <b>3,751,981</b> | <b>27,626</b>                  | <b>(499,229)</b>  | <b>392,982</b>  | <b>(589)</b>                     | <b>1,666,507</b>  | <b>5,572,385</b>                         | <b>6,244,959</b>          | <b>11,817,344</b> |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

**Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Year ended December 31, 2025**

(NIS thousands)

|   | Share capital  | Share premium    | Receipts on account of options | Capital reserve from translation of financial statements for foreign activity | Capital reserve for employee options and other capital reserves | Company shares held by the Group | Retained earnings | Total attributed to Company shareholders | Non-controlling interests | Total equity      |
|---|----------------|------------------|--------------------------------|---|---|----------------------------------|-------------------|--|---------------------------|-------------------|
| <b>Balance as of January 1, 2025</b>                                  | 233,107        | 3,751,981        | 27,626                         | (636,807)   | 387,117   | (589)                            | 1,651,141         | 5,413,576                                | 6,218,950                 | 11,632,526        |
| <b>Total comprehensive income for the period</b>                      | -              | -                | -                              | (43,542)  | 13,967  | -                                | 7,439             | (22,136)                                 | 365,781                   | 343,645           |
| Dividend paid to Company shareholders                                 | -              | -                | -                              | -   | -   | -                                | (207,161)         | (207,161)                                | -                         | (207,161)         |
| Dividends paid to non-controlling interests in consolidated companies | -              | -                | -                              | -   | -   | -                                | -                 | -  | (438,296)                 | (438,296)         |
| Entry into consolidation  | -              | -                | -                              | -   | -   | -                                | -                 | -  | 691,379                   | 691,379           |
| Exercise of employee options  | 814            | 28,676           | -                              | -   | (3,488)   | -                                | -                 | 26,002                                   | -                         | 26,002            |
| Exercise of Series 16 options   | 10,251         | 342,629          | (27,626)                       | -   | -   | -                                | -                 | 325,254                                  | -                         | 325,254           |
| Expiry of employee options  | -              | 3,698            | -                              | -   | 4,285   | -                                | -                 | 7,983                                    | (7,983)                   | -                 |
| Allocation of benefit in respect of options to employees and officers | -              | -                | -                              | -   | 3,950   | -                                | -                 | 3,950                                    | 24,026                    | 27,976            |
| Exercise of employee options in consolidated companies                | -              | -                | -                              | -   | 14,828  | -                                | -                 | 14,828                                   | 33,386                    | 48,214            |
| Issuance of capital in consolidated companies                         | -              | -                | -                              | -   | 46,557  | -                                | -                 | 46,557                                   | 593,091                   | 639,648           |
| <b>Balance as of December 31, 2025</b>                                | <b>244,172</b> | <b>4,126,984</b> | <b>-</b>                       | <b>(680,349)</b>  | <b>467,216</b>  | <b>(589)</b>                     | <b>1,451,419</b>  | <b>5,608,853</b>                         | <b>7,480,334</b>          | <b>13,089,187</b> |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

## Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Cash Flows

|   | For the three<br>month period<br>ended March 31 | For the three<br>month period<br>ended March 31 | For the year<br>ended<br>December 31 |
|---|---|---|--------------------------------------|
|   | 2026  | 2025  | 2025                                 |
|   | NIS<br>thousands                                | NIS<br>thousands                                | NIS<br>thousands                     |
|   | (Unaudited)                                     | (Unaudited)                                     | (Audited)                            |
| <b>Cash flows - Operating activities</b>  |   |   |                                      |
| Net profit for the period   | 198,628   | 164,956   | 545,152                              |
| Net income (expenses) not entailing cash flows (Appendix A)   | 30,273  | (31,401)  | 489,956                              |
|   | 228,901   | 133,555   | 1,035,108                            |
| Changes in working capital (Appendix B)   | (223,757)                                       | (69,453)  | (87,074)                             |
| <b>Net cash provided by operating activities</b>  | <b>5,144</b>                                    | <b>64,102</b>                                   | <b>948,034</b>                       |
| <b>Cash flows - Investing activities</b>  |   |   |                                      |
| Investment in fixed assets and investment property (including investment property in development)       | (242,709)                                       | (353,488)                                       | (1,240,312)                          |
| Proceeds from the realization of investment property, net of tax  | 12,095  | 14,307  | 186,669                              |
| Investment in electricity-generating systems  | (642,457)                                       | (442,470)                                       | (2,434,335)                          |
| Investment in associates  | (30,716)  | (5,545)   | (76,630)                             |
| Decrease (increase) in pledged deposit and restricted cash  | 83,392  | (16,789)  | (42,843)                             |
| Repayments of loans and investments in associates, net  | 1,124   | 1,823   | 2,401                                |
| Repayment (provision) of loans to others  | 3,800   | (1,558)   | (5,141)                              |
| Cash from forward transactions and options designated for hedging                                       | 112,064   | (66,302)  | 6,018                                |
| Acquisition of consolidated companies (Appendix E)  | -   | -   | (185,664)                            |
| Miscellaneous   | 1   | (28,569)  | (24,293)                             |
| <b>Net cash used in investing activities</b>  | <b>(703,406)</b>                                | <b>(898,591)</b>                                | <b>(3,814,130)</b>                   |
| <b>Cash flows - Financing activities</b>  |   |   |                                      |
| Proceeds from the Group's issuance of bonds, net  | -   | 503,505   | 1,924,353                            |
| Repayment of bonds  | (637,849)                                       | (583,384)                                       | (1,107,956)                          |
| Receipt of long-term loans, net of capital raising expenses paid  | (1,057)   | 534,146   | 3,352,203                            |
| Repayment of long-term loans  | (297,734)                                       | (245,432)                                       | (1,356,270)                          |
| Proceeds from the issuance of shares and options  | 4,550   | -   | 351,256                              |
| Proceeds from the issuance of shares and options to non-controlling interests in consolidated companies | 16,481  | 20,800  | 696,344                              |
| Increase (decrease) in short-term credit and in utilized credit facilities                              | 263,327   | 10,523  | 488,323                              |
| Dividend paid to Company shareholders   | -   | -   | (207,161)                            |
| Dividends paid to non-controlling interests in consolidated companies                                   | (159,413)                                       | (115,406)                                       | (438,296)                            |
| <b>Net cash provided by financing activities</b>  | <b>(811,695)</b>                                | <b>124,752</b>                                  | <b>3,702,796</b>                     |
| <b>Increase (decrease) in cash and cash equivalents</b>   | <b>(1,509,957)</b>                              | <b>(709,737)</b>                                | <b>836,700</b>                       |
| <b>Cash and cash equivalents at beginning of period</b>   | <b>2,089,050</b>                                | <b>1,524,326</b>                                | <b>1,524,326</b>                     |
| <b>Designated deposit at beginning of period</b>  | <b>202,162</b>                                  | <b>27,931</b>                                   | <b>27,931</b>                        |
| <b>Effect of exchange rates on foreign currency cash balances</b>                                       | <b>(26,731)</b>                                 | <b>20,205</b>                                   | <b>(97,745)</b>                      |
| <b>Cash and cash equivalents at end of period</b>   | <b>754,524</b>                                  | <b>862,725</b>                                  | <b>2,291,212</b>                     |
| <b>Less - Designated deposit at end of period</b>   | <b>21,364</b>                                   | <b>30,709</b>                                   | <b>202,162</b>                       |
| <b>Total cash and cash equivalents</b>  | <b>733,160</b>                                  | <b>832,016</b>                                  | <b>2,089,050</b>                     |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.

## Alony-Hetz Properties and Investments Ltd. | Notes to the Condensed Consolidated Financial Statements

|  | For the three<br>month period<br>ended March 31 | For the three<br>month period<br>ended March 31 | For the year<br>ended<br>December 31 |
|--|---|---|--------------------------------------|
|  | 2026  | 2025  | 2025                                 |
|  | NIS thousands                                   | NIS thousands                                   | NIS thousands                        |
|  | (Unaudited)                                     | (Unaudited)                                     | (Audited)                            |
| <b>Adjustments required to present cash flows from operating activities</b>                                  |   |   |                                      |
| <b>a. Expenses (income) not entailing cash flows</b>   |   |   |                                      |
| Fair value adjustment of investment property and profit from its sale  | 16,346  | (7,225)   | (385,138)                            |
| Loss from acquisition of control in Carr and from changes in rate of holding                                 | -   | -   | 280,031                              |
| Differences from adjustments, interest and discounting in respect of long-term liabilities and cash balances | (21,644)  | (25,388)  | 441,078                              |
| Loss (profit) from fair value adjustment of financial assets at fair value through profit and loss           | (316)   | (3,336)   | 33,645                               |
| Company's share in results of associates, net of dividends and capital reductions received                   | (8,240)   | (45,440)  | 94,854                               |
| Deferred taxes, net  | 42,199  | 43,263  | 81,878                               |
| Depreciation and amortizations   | 81,700  | 60,508  | 308,403                              |
| Allocation of benefit in respect of share-based payment  | 7,394   | 5,369   | 34,994                               |
| Revenue from the tax partner (*)   | (84,598)  | (58,927)  | (407,768)                            |
| Miscellaneous, net   | (2,568)   | (225)   | 7,979                                |
|  | 30,273  | (31,401)  | 489,956                              |
| <b>b. Changes in asset and liability items (changes in working capital)</b>                                  |   |   |                                      |
| Increase in customers and in accounts receivable and debit balances  | (33,555)  | (15,285)  | (37,926)                             |
| Increase in current tax assets   | (2,425)   | (2,790)   | (319)                                |
| Increase (decrease) in payables and credit balances  | (127,649)                                       | (27,537)  | 20,544                               |
| Decrease in current tax liabilities (*)  | (60,128)  | (20,974)  | (60,043)                             |
| Purchase of CAP options  | -   | (2,867)   | (9,330)                              |
|  | (223,757)                                       | (69,453)  | (87,074)                             |
| <b>c. Non-cash activity</b>  |   |   |                                      |
| Investment in electricity-generating systems against supplier credit and payables                            | 279,413   | 282,099   | 379,399                              |
| Increase in provision for evacuation and rehabilitation against systems in development                       | 903   | -   | 15,130                               |
| Exercise of employee options against receivables   | 2,258   | -   | 5,189                                |
| Realization of investment property against receivables   | -   | -   | 1,000                                |
| Increase in right-of-use asset against lease liabilities resulting from new lease agreements                 | 31,194  | 11,207  | 105,626                              |
| Investment in property and fixed assets against other payables and credit balances                           | 16,278  | 24,313  | 35,232                               |
| Accounts payable in respect of capital issuance  | -   | -   | 1,253                                |
| Dividends declared for non-controlling interests in a consolidated company                                   | -   | 27,343  | -                                    |
| Dividends declared for Company shareholders  | 56,586  | 51,608  | -                                    |
| Dividends not yet received from companies accounted for using the equity method                              | -   | 2,250   | -                                    |

(\*) Reclassified - see Note 2a.2.

**Alony-Hetz Properties and Investments Ltd. | Notes to the Condensed Consolidated Financial Statements**

|   | For the three<br>month period<br>ended March 31 | For the three<br>month period<br>ended March 31 | For the year<br>ended<br>December 31 |
|---|---|---|--------------------------------------|
|   | 2026  | 2025  | 2025                                 |
|   | NIS thousands                                   | NIS thousands                                   | NIS thousands                        |
|   | (Unaudited)                                     | (Unaudited)                                     | (Audited)                            |
| <b>d. Additional information</b>          |   |   |                                      |
| Interest paid                             | 417,305   | 294,277   | 764,543                              |
| Interest received                         | 12,807  | 8,536   | 67,941                               |
| Taxes paid (*)                            | 78,225  | 56,700  | 279,232                              |
| Taxes received                            | 11,831  | 6,157   | 17,736                               |
| Dividends and capital reductions received | 7,808   | 7,436   | 54,451                               |

(\*) The taxes paid in the reporting period include taxes paid in respect of an assessment agreement in a subsidiary. (\*) The taxes paid and received in 2025 include appreciation tax due to the realization of properties in a subsidiary.

**e. Company consolidated for the first time - Asset and liability amounts recognized on the date of acquisition of control**

|  |   |   |             |
|--|---|---|-------------|
| Working capital  | - | - | 90,638      |
| Investment property and investment property in development                             | - | - | 5,159,604   |
| Investments in companies accounted for according to the equity method and other assets | - | - | 452,002     |
| Loans from banking corporations and financial institutions and other liabilities       | - | - | (3,433,417) |
| Non-controlling interests  | - | - | (691,378)   |
| Realization of investment in associate   | - | - | (1,391,786) |
| Net cash   | - | - | 185,663     |

The attached notes constitute an integral part of the Condensed Consolidated Financial Statements.