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30 בספטמבר 2026

30 September 2026

IMT 2026 Report

Quarterly

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Mivne Real Estate (K.D) Ltd.

("the Company")

Quarterly Report for the period ended September 30, 2026

Chapter A - Board of Directors' Report on the State of the Company's Affairs

Appendices to the Board of Directors' Report

Chapter B - Financial Statements as of September 30, 2026

Financial data and financial information from the consolidated financial statements attributed to the Company

Chapter C - Statements regarding the effectiveness of internal control

Chapter D - Consent letter from the auditing accountants

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פרק א | דוח הדירקטוריון על מצב ענייני החברה

Chapter A | Board of Directors' Report on the State of the Company's Affairs

Appendices to the Board of Directors' Report

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Total Investment Property (NIS millions)	**17,400**	**Overview 30.9.26**
Of which Property under construction (NIS millions)	**302**	
Income-producing areas (thousands of sqm) of which 1,744 in Israel	**1,849**	
Land reserves and unutilized rights (thousands of sqm)	**1,053**	
Projects under construction and initiation	**3**	**Projects under construction 30.9.26**
Scope (thousands of sqm)	**52**	
Estimated remaining construction cost* (NIS millions) * For details, see table under "Summary of data regarding projects in construction, planning and initiation stages" below.	**700**	
Expected NOI upon project completion* (NIS millions) * For details, see table under "Summary of data regarding projects in construction, planning and initiation stages" below.	**78-82**	
NOI (NIS millions) NOI in Israel increased by 7.5% compared to the corresponding period last year. Increase in general NOI (including abroad) of approx. 7.3% compared to the corresponding period last year.	**690**	**Data from the Consolidated Reports 1-9.26**
NOI Same Property in Israel Growth compared to the corresponding period last year (3.0% growth in the current quarter compared to the third quarter last year)	**3.6%**	
AFFO (NIS millions) 11% increase compared to the corresponding period last year	**510**	
Unencumbered assets (NIS millions) representing approx. 78% of total real estate	**13,536**	
Weighted index-linked debt interest	**2.51%**	
Cash and unutilized credit lines as of report publication date (NIS millions)	**2,082**	
Occupancy rate in Israel* *Includes the Hasolelim project in Tel Aviv and Life Sciences in Haifa, whose construction was completed during the first quarter of 2026. Excluding these areas, the occupancy rate stands at 93.3%.	**91.8%**	

Quarterly Report as of September 30, 2026 | Board of Directors Report on the State of the Company's Affairs

Board of Directors Report on the State of the Company's Affairs
For the Period Ended September 30, 2026

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The Board of Directors of Mivne Real Estate (K.D) Ltd. is pleased to submit the financial reports of the company and its consolidated subsidiaries ("the Company") for the period ended September 30, 2026 ("the Reporting Period" and "the Quarterly Financial Reports", as applicable).

This report should be read together with the Periodic report for 2025 published by the Company on March 29, 2026 (reference: 2026-01-028663) ("the Periodic report for 2025"), which is incorporated herein by reference.

Business Environment

Description of the Company and its Business Environment

As of the date of the report, the company has two operating segments:

1. **Income-producing Real Estate segment** - within which the company engages, by itself and through companies held by it, in diverse real estate activities, mainly in Israel. For further details, see Section 1.3 of the Corporate Business Report of the Periodic report for 2025. The company (including associated companies) owns approximately 1,849 thousand sqm of income-producing areas, of which approximately 1,744 thousand sqm are in Israel.

2. **Residential Real Estate Development segment** - The company operates in residential real estate development in Israel, including identification, initiation, planning, development, acquisition, construction, marketing, and sales in the residential construction field in Israel.

At the end of February 2026, the State of Israel and the United States launched a military operation "Lion's Roar" which included a combined attack on Iran. In response, Iran attacked, among other things, the State of Israel, by launching missiles and drones at military and civilian targets. Additionally, fighting was renewed against the Hezbollah terrorist organization in Lebanon. In April 2026, the United States and Iran agreed on a mutual ceasefire, and later that month Israel announced a temporary ceasefire against the Hezbollah terrorist organization. At the beginning of June 2026, the direct confrontation with Iran was renewed and included missile launches towards Israel, and in response, Israel attacked in Iran. On June 18, 2026, Iran and the United States signed a memorandum of understanding to end the fighting. During July 2026, the ceasefire agreement collapsed and the United States returned to attacking targets in Iran, which responded with attacks on American targets and bases throughout the Middle East. As of the publication date of this report, there is no active fighting, but the security situation is characterized by high readiness.

In the first nine months of the year, the (known) Consumer Price Index rose by a rate of approximately 2.12%, and according to the macro-economic forecast published by the Bank of Israel Research Department in October 2026 ("**the Updated Forecast**")[1] the annual inflation rate in 2026 is expected to stand at approximately 1.5%.

The company's income-producing real estate, whose current scope stands at approximately 17 billion NIS, is leased under index-linked lease agreements, and economically the company sees this as long-term inflation protection. Consequently, the rise in the index compared to the corresponding period last year resulted in an increase in the company's income from renting buildings and an increase in the fair value of the assets.

The construction input index, to which the agreements that the company enters into with execution contractors are linked, rose in the first nine months of the year by approximately 1%.

As of the date of publication of this report, the degree of influence of the possibility of renewed fighting on the various fronts on the company's activity is unknown, as this is a dynamic event characterized by great uncertainty. The company's management estimates that in light of the broad geographic and sectoral distribution of the company's assets, their quantity, positioning, location and occupancy rates

[1] The macro-economic forecast of the Research Department, October 2026, is available on the Bank of Israel website at the link The macro-economic forecast of the Research Department, October 2026, Bank of Israel - The Central Bank of Israel

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in them, as well as in light of its financial stability, expressed, among other things, in its high cash and cash equivalent balances, the average life of the debt, and the fact that assets worth approximately NIS 13.5 billion are unencumbered, the extent of exposure of the company's business to a crisis and/or significant instability is reduced, and it possesses tools that will allow it to cope properly with the consequences of the fighting, including everything related to meeting its existing and expected obligations and meeting the financial covenants set in the financing agreements and the trust deeds of the company's BONDS. However, the continuation of fighting over time on the various fronts and/or an escalation in them, could lead to a more significant and broader impact on the economy and this could drag on to the deepening of the impact on private consumption and businesses, including the company's tenants, and as a result could cause a slowdown in the quantity and volume of transactions, a decrease in tenant revenues and changes in additional economic parameters which will negatively affect the company's economic performance.

Assessments and forecasts presented in this section above constitute forward-looking information as defined in the Securities Law, 5728-1968.

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Events During the Reporting Period and Thereafter

Hasolelim Project in Tel Aviv - Residential Buildings

On March 26, 2025, the Company (together with Tidhar Rosh HaAyin Real Estate Entrepreneurship Ltd. which holds 25% of the rights in the residential part of the project) entered into an agreement with Megureit Israel Ltd ("the Purchaser") for the sale of 47 apartments in two residential buildings of 33 floors each, including 360 housing units in the "Hasolelim" project located on land in the area of Derech HaShalom, Hasolelim, and HaHaskala Boulevard streets in Tel Aviv-Yafo for a total of approximately NIS 190.4 million including VAT (the Company's share in the consideration is approximately NIS 143 million). As of the report publication date, the Purchaser has paid the full consideration for the transaction.

As of the report publication date, a total of 232 apartments sold to purchasers in the project have been delivered. For further details, see immediate reports published by the Company on March 27, 2025, and March 3, 2026 (references: 2025-01-021096 and 2026-01-019246), which are incorporated into this report by reference.

Hasolelim Project in Tel Aviv - Office Buildings – Anchor Tenant

Following the Company's engagement on September 19, 2024, in a lease and management agreement with Fattal Workspace Limited Partnership and Switchup Ltd. (together and separately: hereinafter "the Lessees") in the office buildings in the Hasolelim project in Tel Aviv, the Company entered into addendums to the agreement with the Lessees on March 9, 2025, and August 17, 2025, according to which the Lessees will lease additional areas totaling approx. 11,300 sqm as well as 76 parking spaces in the project parking lot and in an additional parking lot of the Company located near the project, so that the total leased property to be leased to the Lessees will include approx. 35,800 sqm and 266 parking spaces. The average annual consideration (the calculation of the average annual consideration does not take into account the Company's participation in the adjustments of the total leased property, whereas on the other hand the Lessees also undertook to carry out adjustments to the fixtures at the level practiced by them) (hereinafter: "Average Annual Consideration") in the first lease period for rent and management fees for the total leased property will stand at a total of approximately NIS 66 million plus VAT. For further details, see immediate reports published by the Company on March 10, 2025, and August 18, 2025 (references: 2025-01-015659 and 2025-01-061086, respectively), which are incorporated into this report by reference.

As of the report publication date, the Company has delivered a total of approx. 47 thousand sqm in the office buildings in the project to several tenants.

Establishment of an Employment and Commercial Project in the "Sde Dov" Complex

On December 2, 2024, the Company won a tender for the purchase of capitalized lease rights (without a development agreement) for 98 years (with an option to extend for another 98 years) in the lot known as "Lot 303" within tender TA/304/2024 published by the Israel Land Authority located in the "Eshkol" complex which is part of the "Sde Dov" complex in Tel Aviv. The lot is of an area of 5.6 dunams on which approximately 19,000 sqm of primary and service area for employment and approx. 7,300 sqm of primary and service area for commerce can be built. The purchase amount is approx. NIS 112.5 million plus VAT and the total development expenses (including VAT) stand at approx. NIS 19.5 million. In the first quarter of 2025, the Company completed the land purchase. The Company intends to promote a permit for the establishment of the project according to the existing city building plan for the lot. For further details see immediate report published by the Company on December 3, 2024 (reference: 2024-01-621426), which is incorporated into this report by reference.

In February 2026, instructions for lot owners in the Sde Dov complex were received by the Company from the Ministry of Environmental Protection, according to which the Company will be required (similar to other lot owners in the complex) to carry out soil sampling according to said instructions due to information about the presence of PFAS compounds in the Sde Dov complex, during the quarter the Ministry of Environmental Protection carried out several drillings in the lot area. After examination, it was found that there are several pollution centers of PFAS compounds in the lot, additional instructions have not yet been received by the Ministry regarding the disposal method and the required burial location.

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Kiryat Shchakim Project - Real Estate Appraisals from the Israel Land Authority

In December 2024, City Tech - Herzliya 1995 Ltd.[2] ("City Tech") received from the Israel Land Authority appraisals and financial specifications for lots known as lots 801 and 802 within the TML 1082 plan, which are part of the real estate known as Block 6422 Parcel 316 and Block 6533 Parcel 290, which together include a financial calculation for payment in the amount of approximately 1,012 million NIS plus VAT and development expenses for the lots in the amount of approximately 256 million NIS including VAT.

On January 23, 2025, City Tech received from the Israel Land Authority appraisals and financial specifications for the lots known as lots 400, 601-602, 800, 901-904 in plan TML 1082, which constitute the remaining lots to which City Tech is entitled under a tender exemption within the project ("the additional lots"), which together include a financial calculation for payment in the amount of approximately 349 million NIS plus VAT and development expenses for the lots in the amount of approximately 184 million NIS including VAT.

City-Tech filed a legal objection which mainly revolved around the method of calculating the value of the public task, and this was mostly rejected. During 2025, City Tech filed an appraisal objection dealing with the value of the real estate due to significant gaps that exist, in the company's opinion, between the value of the real estate and the issued appraisal. In March 2026, City Tech received the decision of the Government Appraiser regarding the objection filed by it, on appraisals received from the Israel Land Authority in December 2024 regarding lots 801 and 802 (hereinafter-the Lots), within which a reduction in the appraisals was determined at a rate of approximately 44% (after weighing development expenses the reduction rate stands at approximately 35%). The total reduction amount stands at approximately 486 million NIS for the lots.

In May 2026, the company received the decision of the Government Appraiser regarding lots 601, 602, 901-904, 800 and 400 (hereinafter-the Additional Lots), within which a reduction in the appraisals was determined at a rate of approximately 21% (after weighing development expenses the reduction rate stands at approximately 14.1%). The total reduction amount stands at approximately 80 million NIS for the additional lots. The company, together with its partners in City Tech, filed a second objection to the Objections Committee at the Ministry of Justice.

The scope of rights to which City Tech is entitled according to the plan are as follows:

1. Residential - approximately 14,000 sqm above ground for the construction of 100 apartments.
2. Above-ground commercial - 2,500 sqm.
3. Offices - approximately 270,000 sqm (of which 35,000 sqm can be utilized for assisted living).
4. Underground building rights - approximately 90,000 sqm.

For further details see Note 13A in the company's consolidated financial statements as of December 31, 2025.

Receipt of Appraisal and Financial Specification from ILA regarding HaMeitav Project Phase B

In July 2026, the company received an appraisal and financial specification from the Israel Land Authority regarding the HaMeitav project real estate (Phase B) located in Tel Aviv-Yafo between Yigal Alon Street to the west of the Bitzaron neighborhood, Aminadav Street to the south and Meitav Street to the east – which are part of Parcel 64 Block 7069 ("the Project Real Estate") for the purchase of rights in the project real estate by virtue of the New Plan (as defined below). According to plan 507-0892091 "TA/MK/4974- Alon Space" which was approved for validity ("the New Plan"), 3 new buildings can be established within the project including: a 47-story residential building which will include approximately 400 housing units, and two 47-story employment buildings. An additional employment structure of the "Hamashbir Hamercazi" building will remain as a building for preservation.

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The total area of rights by virtue of the New Plan is 18,525 sqm, of which approximately 5,500 sqm are designated for a public building, utilizing building rights as follows:

A. Residential building rights: approximately 41.6 thousand sqm of residential area.

B. Commercial and employment building rights: approximately 125 thousand sqm of commercial and employment areas (main and service area).

C. Building rights for underground area in the scope of approximately 66.5 thousand sqm.

Parallel to the promotion of an architectural design plan for the project, the company approached the ILA with a request to purchase the additional rights by virtue of the New Plan in the project real estate, and following this request, an appraisal and financial specification were received on July 29, 2026. According to the financial calculation performed by the ILA, the company is required to pay a total of approximately 363.5 million NIS.

[2] A private company held by Kiryat Shchakim Ltd. ("Kiryat Shchakim") and Kibbutz Galil Yam, in equal parts. Kiryat Shchakim is held at a rate of 84.8% by the company.

Plus VAT and additional valuation differences, as far as they apply, for the purchase of the aforementioned rights. In September 2026, the company filed an objection to the appraisal with the Objections Committee.

Debt Raisings

On June 16, 2026, the company issued 769,043 thousand NIS par value BONDS (Series 27), for a total of approximately 761 million NIS (after deduction of issuance costs). The effective annual interest embodied in the issuance is approximately 2.85%. The BONDS (Series 27) bear annual interest at a rate of 2.73%, which will be paid twice a year, on March 31 and September 30, such that the first interest payment will be paid on September 30, 2026, and the last payment will be paid together with the final principal repayment on March 31, 2038. The BONDS (Series 27) are linked (principal and interest) to the Consumer Price Index and are not secured by any collateral. For further details, see Appendix D to this report.

Redemption of BONDS

On September 30, 2026, the company fully redeemed BONDS (Series 23). It should be noted that for Series 13, assets worth 1.3 billion NIS were pledged.

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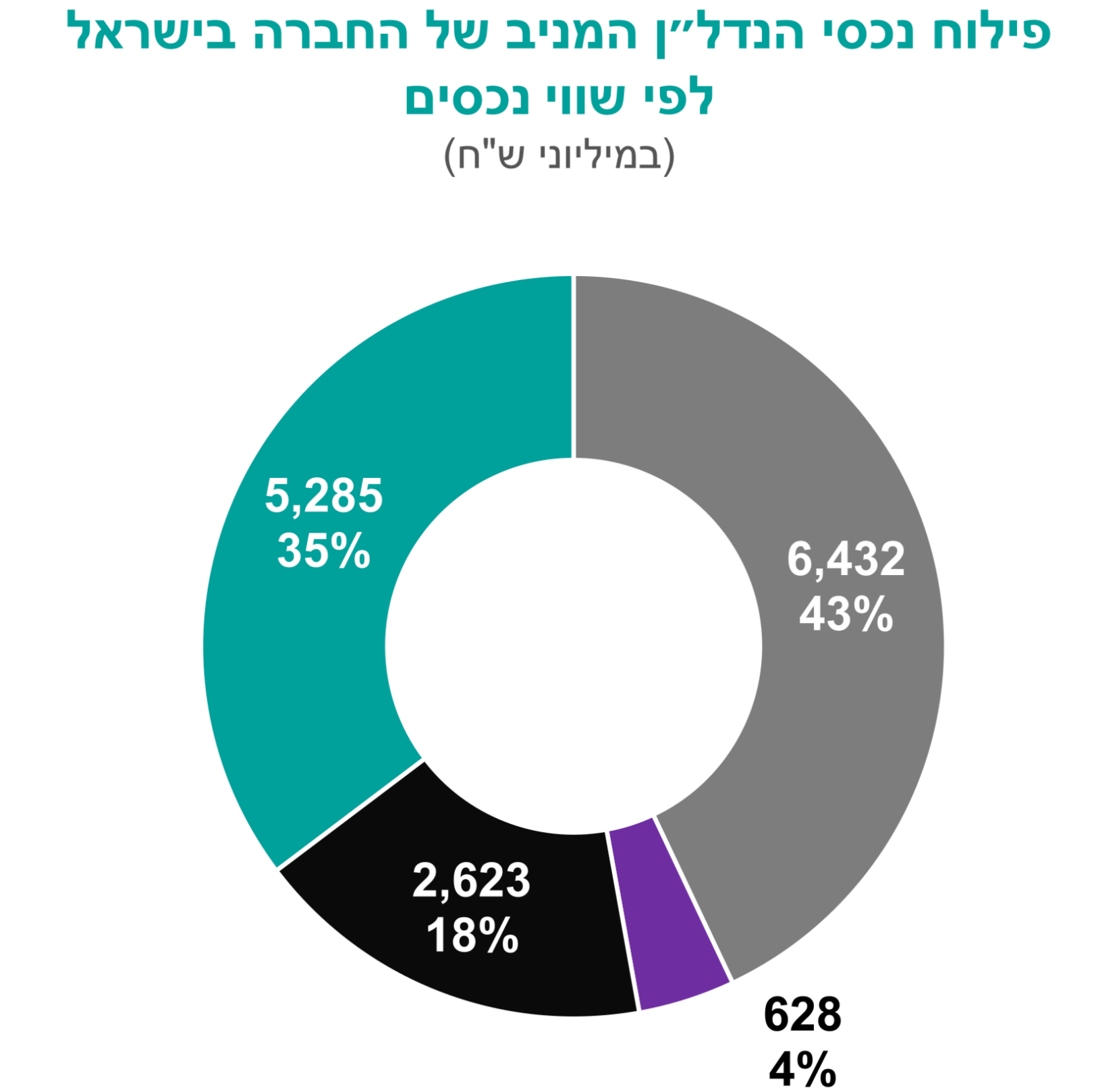
Company's Activity

As of September 30, 2026, the company's assets (consolidated), owned and leased, include: 549 income-producing properties spread across Israel with a total area of approximately 1.7 million sqm, not including properties under construction. The properties are leased to approximately 3,000 tenants, in contracts for various periods. In addition, the company has 22 projects in stages of construction and advanced planning in the scope of approximately 947 thousand sqm.

The occupancy rate of the company's properties in Israel as of September 30, 2026, stands at approximately 91.8% compared to approximately 92.7% on December 31, 2025.

The occupancy rate as of September 30, 2026, neutralizing the areas of the HaSolelim project in Tel Aviv and Life Sciences in Haifa whose construction was completed during the first quarter of 2026 and which are in marketing and occupancy processes, stands at 93.3%.

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Overview of Company Data

Summary of Key Data (in millions of NIS)

	Change compared to the same period last year	1-9/26	1-9/25	Change compared to the same period last year	7-9/26	7-9/25
Total NOI	7.3%	690	643	10.6%	241	218

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	Change compared to the same period last year	1-9/26	1-9/25	Change compared to the same period last year	7-9/26	7-9/25
***NOI in Israel**	7.5%	660	614	9.5%	230	210
NOI Same Property in Israel	3.6%	628	606	3.4%	214	207
NOI Abroad	3.4%	30	29	37.5%	11	8
AFFO	11.1%	510	459	12.7%	178	158
Increase (Decrease) in Known Index Rate	2.12%	2.95%		0.95%	1.36%	

* Includes solar activity. The growth in NOI in Israel in the first nine months of 2026 compared to the same period last year results from an increase of approximately 28 million NIS from properties leased for the first time (mainly from the HaSolelim project), an increase of approximately 25 million NIS due to new leases and an increase in rent due to contract renewals as well as an increase due to the rise in the index in a total of approximately 12 million NIS. On the other hand, the increase was offset by a total of approximately 2 million NIS due to an increase in maintenance costs and approximately 17 million NIS as a result of vacated or sold areas.

Main Information Regarding the Company's Assets in Israel by Usage

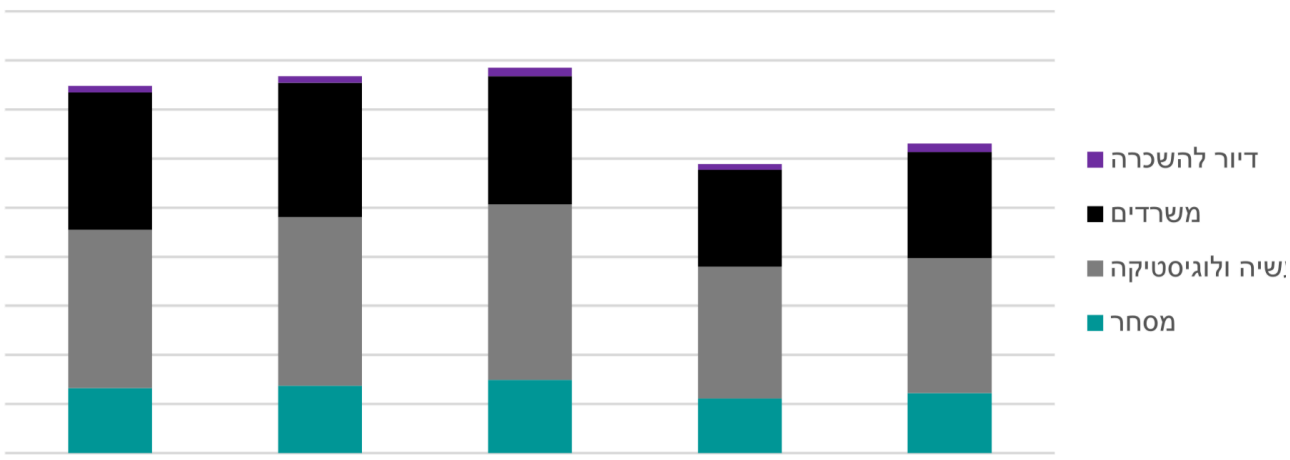
Uses	Number of assets as of 30.9.26	Above-ground area as of 30.9.26	NOI for period 1-9.26	Fair value of income-producing real estate as of 30.9.26	Occupancy rate as of 30.9.26	Fair value of real estate under construction as of 30.9.26
		sqm	in k NIS	in k NIS	%	in k NIS
Offices	67	501,025	216,186	6,432,378	(*)81.2%	205,489
Commercial	26	215,064	122,052	2,623,432	91.2%	12,120
Industry and Logistics	450	961,494	274,906	5,284,525	97.3%	-
Residential	6	30,431	17,313	627,816	(**)97.1%	84,342
Total	**549**	**1,708,015**	**630,457**	**14,968,151**	**91.8%**	**301,933**
Associated Companies – Company's Share						
Offices	5	17,363	8,737	157,098	92.6%	-
Commercial	6	13,153	10,311	224,719	97.7%	-
Industry and Logistics	1	5,256	525	163,533	100.0%	36,676
Total	**12**	**35,772**	**19,573**	**545,350**	**95.6%**	**36,676**
Extended Total	**561**	**1,743,786**	**650,030**	**15,513,501**	**91.9%**	**338,609**

* Includes HaSolelim project Tel Aviv and Life Sciences Haifa (whose construction was completed during the first quarter of 2026) in a total area of approximately 80 thousand sqm but does not include a property in Ahuzat Bayit in Tel Aviv in an area of approximately 11.6 thousand sqm which is in an enhancement process.

** Includes an area of approximately 3,000 sqm from a residential project in Hadera which was received during the second quarter of 2026 and the company began its marketing (neutralizing this area, the residential occupancy rate is 100%).

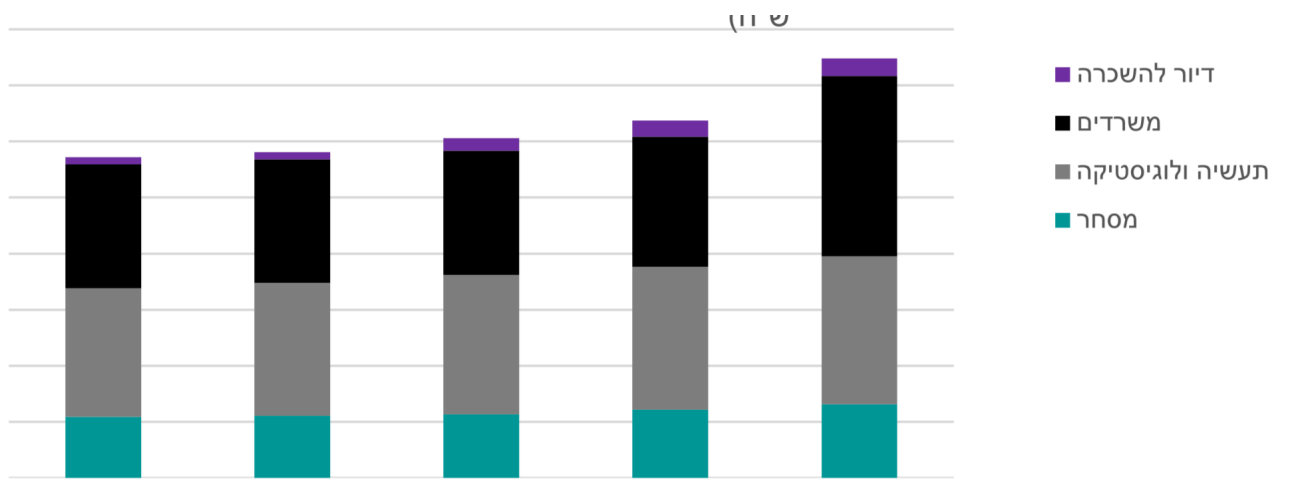
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NOI Breakdown in Israel by Use (from income-producing assets, in NIS millions)



	1-9/2026	1-9/2025	2025	2024	2023
Retail	122	111	149	137	132
Industry and Logistics	275	269	358	344	323
Offices	216	197	261	273	280
Residential for Rent	17	12	17	14	13
Total	**630**	**589**	**785**	**768**	**748**

Asset Value Breakdown in Israel by Use (from income-producing assets, in NIS millions)



	30.9.2026	31.12.2025	31.12.2024	31.12.2023	31.12.2022
Retail	2,623	2,438	2,268	2,217	2,175
Industry and Logistics	5,285	5,097	4,969	4,739	4,585
Offices	6,432	4,630	4,428	4,408	4,427
Residential for Rent	628	583	456	253	252
Total Income-Producing Real Estate	**14,968**	**12,748**	**12,121**	**11,617**	**11,439**
Total Under Construction	**302**	**1,947**	**1,674**	**1,414**	**1,126**
Total	**15,270**	**14,695**	**13,796**	**13,031**	**12,565**

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Investment Property Details Including Property Held for Sale by Region

Country	Number of Assets	Above-ground Area in sqm	Number of Tenants	Occupancy Rate	Fair Value in NIS thousands	NOI from Income-Producing Assets 1-9/2026 in NIS thousands
Income-Producing Assets						
Israel	549	(1)1,708,015	3,024	91.8%	14,968,151	630,457
Abroad	5	105,645	105	83.7%	515,685	30,141
Total Income-Producing Assets	**554**	**1,813,659**	**3,129**	**91.3%**	**15,483,836**	**660,598**
Israel Land	37				1,871,161	
Abroad	1				10,860	
Total Land	**38**				**1,882,021**	
Total	**592**	**1,813,659**	**3,129**	**91.3%**	**17,365,857**	**660,598**
Israel - Associate Companies	**12**	**35,772**	**101**	**95.6%**	**545,350**	**19,573**
Total	**604**	**1,849,431**	**3,230**	**91.4%**	**17,911,207**	**680,171**
Deferred Taxes					(2)2,530,178	

(1) Includes the HaSollelim project in Tel Aviv and Life Sciences Haifa (whose construction was completed during the first quarter of 2026) with a total area of approximately 80 thousand sqm.

(2) Deferred taxes included in the financial statements of the company and associate companies.



Mivne Nationwide

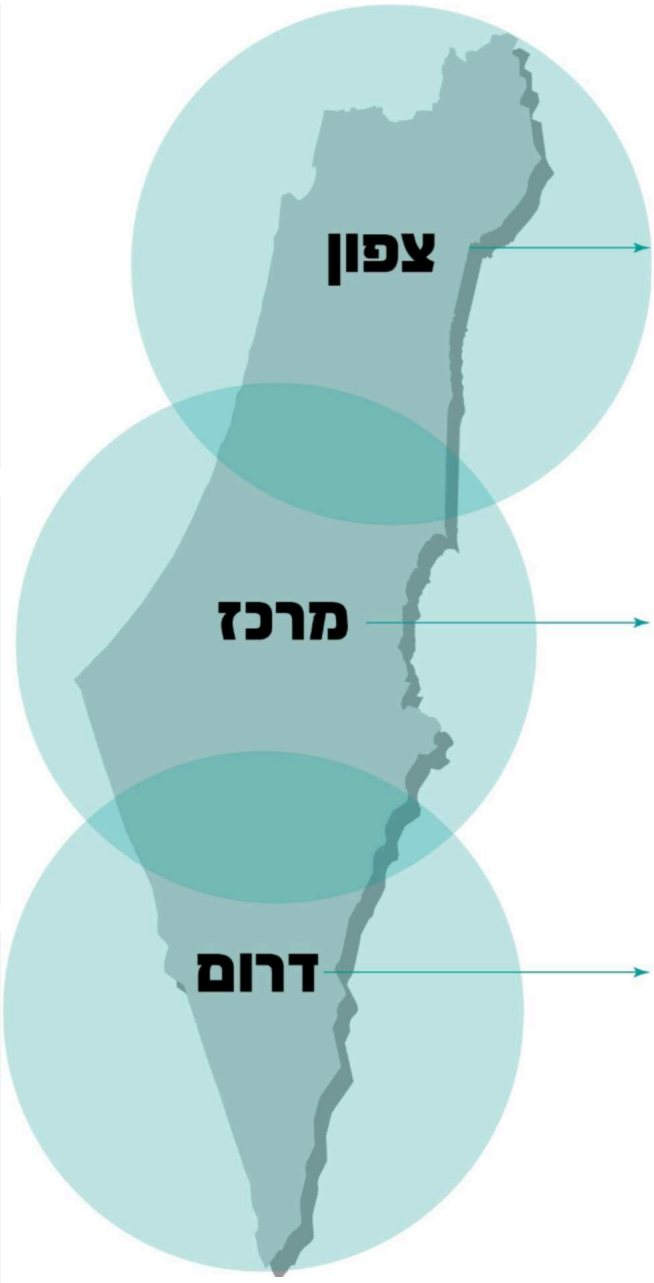
The company owns approximately 1,849 thousand sqm of income-producing areas, of which approximately 1,744 thousand sqm are in Israel. The company has land reserves and unutilized rights in the amount of approximately 1,053 thousand sqm and assets under construction as specified in the 'Assets Under Construction' table below, in the amount of approximately 52 thousand sqm.

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Or Akiva	Yesud HaMa'ala	Nesher
Alon Tavor	Kfar Tavor	Emek Hefer
Beit She'an	Karmiel	Afula
Bnei Yehuda	Migdal HaEmek	Pardes Hanna
Gan Shmuel	Mahanaim	Tziporit
Haifa	Metula	Safed
Hazor HaGlilit	Menahamia	Katzrin
Tiberias	Ma'ale Efraim	Kiryat Shmona
Yavne'el	Ma'alot	Segev
Yad Hana	Nahariya	Shlomi
Yokneam	Nof HaGalil	

Elkana	Kokhav Ya'ir	Rosh HaAyin
Or Yehuda	Kfar Saba	Rishon LeZion
Beerot Yitzhak	Lod	Rehovot
Beit Shemesh	Mishor Adumim	Ramla
Bat Yam	Mitzpe Sapir	Ramat Gan
Herzliya	Netanya	Ramat HaSharon
Hadera	Petah Tikva	Ra'anana
Holon	Tzur Yitzhak	Tel Aviv
Jerusalem	Kiryat Ono	

Ofakim	Yavne	Sderot
Eilat	Yeruham	Sha'ar HaNegev
Ashdod	Kanot	
Ashkelon	Lehavim	
BMT	Mitzpe Ramon	
Beer Sheva	Nir Galim	
Ganei Tal	Arad	
Gan Raveh	Kiryat Gat	
Dimona	Kiryat Malakhi	



Concentrated Data regarding Projects in Construction, Planning and Initiation Stages

(As of 30.9.2026)(A)

Assets Under Construction

Project Name	Location	Main Use	Company's Share	Status	Leasable Area (sqm) / No. of Units *	Asset Value in Company's Books	Estimated Remaining Construction Cost	Estimated NOI at Full Occupancy
						In NIS millions		
Mivne Herzliya Pituach	Herzliya	Residential	100%	Above-ground skeleton works. Estimated completion Q4 2028.	102 units	258	116	8-9
		Offices and Retail			24,300		174	27-30
Kiryat 2	Yokneam	Offices	100%	Permits received for Phase A, Zoning Plan approved for increased rights in Phase B. Construction completion expected Q4 2029.	24,874	44	273	23
MED 1 DLR Mivne	Petah Tikva	Data Center	25%	Skeleton works and ordering electromechanical systems. Construction completion expected Q4 2027.	2,500	37	136	20
Total					**51,674**	**339**	**700**	**78-82**

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* Excluding parking areas.

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Principal Assets in Planning – Promotion of Building Permit[(a)]

Project Name	Location	Principal Use	Company's Share	Planning Status	Built Area[(1)] Company's Share (sqm)/ No. of units	Asset Value in Company's Books (NIS millions)
Mivne Towers Yigal Alon, Tel Aviv	Tel Aviv	Employment and Trade Residential	100%	In approval process of architectural design plan.	124,950 400 units	780
Rehovot - Sharphon	Rehovot	Employment, Trade and Nursing Care Residential	50%	In the process of approving a plan under the authority of the VATM"G and promoting permits.	39,900 227 units	34
Mivne Sde Dov	Tel Aviv	Offices Trade	100%	Design plan approved under conditions.	19,400 7,300	140
Office Tower in Givat Shaul	Jerusalem	Offices	100%	Full permit conditions completed.	34,750	27
Mivne Merkavim Holon	Holon	Trade and Industry	100%	Start of architectural design promotion.	92,520	196
HaElef Complex	Rishon LeZion	Trade and Employment Residential for rent and student dormitories	50%	In licensing stage of several building permit applications.	5,358 320 units	83
Yad Hanna	Yad Hanna	Industry	50%	Preliminary architectural planning.	46,500	164
Kanfei Nesharim	Jerusalem	Offices	50%	Permit received under conditions and final appraiser decision.	7,119	4
Gani Tal	Gani Tal	Industry	51%	The company filed a petition on the decision of the objections committee.	14,280	31

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Project Name	Location	Principal Use	Company's Share	Planning Status	Built Area[1] Company's Share (sqm)/ No. of units	Asset Value in Company's Books (NIS millions)
Ofakim - Ofar	Ofakim	Trade	100%	The plan was approved, in the process of obtaining a building permit.	10,000	33
Kiryat Shchakim	Herzliya	Offices and Trade Residential	42.2%[2]	The company submitted a second objection to the objections committee at the Ministry of Justice.	117,981 42 units	77
Ma'alot	Ma'alot	Offices and Trade	100%	Start of architectural design promotion and in process of building permit.	8,737	22
Hatzav	Bnei Ayish Industrial Zone	Industry and Logistics	50%	Working on permit.	9,650	47
Total					**538,445**	**1,638**

(1) sqm above-ground rights without parking area. Yielding area only, excluding residential areas shown as units.

(2) For more details, see Note 13A in the consolidated financial statements of the Company as of December 31, 2025, and Note 5D in the quarterly financial statements.

Principal Assets in Planning – Promotion of Urban Building Plan[a]

Project Name	Location	Principal Use	Company's Share	Planning Status	Built Area[1] Company's Share (sqm)/ No. of units	Project Value in Company's Books (NIS millions)
Science and High-Tech Park (2 buildings)	Haifa	Offices	50%	Promotion of a change in the Urban Building Plan to add a tower including employment and hotel uses, in coordination with the Haifa Economic Corporation, a partner in the complex. The design will be integrated with another lot owned by the Company.	14,000 [2]	17

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Project Name	Location	Principal Use	Company's Share	Planning Status	Built Area[1] Company's Share (sqm)/ No. of units	Project Value in Company's Books (NIS millions)
Ackerstein Towers Phase B	Herzliya	Offices and Trade	53%	The plan was approved for deposit under conditions.	27,687	32
		Residential			85 units	
Eilat - Shami Bar	Eilat	Employment and Trade	100%	In the stage of examining alternatives with the City Architect.	12,274 [3]	84
		Residential			88 units	
Eilat - Commercial Complex	Eilat	Employment and Trade	100%	In the stage of examining alternatives with the City Architect.	38,008 [3]	83
		Residential			152 units	
Nissenbaum	Bat Yam	Offices and Trade	100%	The project is in early design in collaboration with the local authority.	65,941	92
		Residential			237 units	
Merkavim	Petah Tikva	Offices and Trade	100%	The plan came into force.	**199,642 [4]**	462
Total					**357,552**	**770**

(1) sqm above-ground rights without parking area. Yielding area only, excluding residential areas shown as units.

(2) The Company is acting to increase the construction volume for the office towers, increasing its share to 37,500 above-ground sqm.

(3) The scope of building rights aforementioned is being promoted in an Urban Building Plan in accordance with the strategic plan for Eilat as promoted by the Municipality and the District Committee.

(4) Excluding land of approximately 10 dunams sold to the Digital Mivne Med 1 partnership on which a data center project has begun construction.

For more details, see Note 13C in the consolidated financial statements as of December 31, 2025.

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Residential for Rent[(a)]

Settlement	Use	Quantity of Units	Area (sqm)	Book Value/ Amount Paid (NIS thousands)	Balance for Payment (NIS thousands)	NOI/Expected Annual NOI (NIS thousands)	Yielding/ Expected Yielding
Jerusalem	Housing cluster	317	13,658	132,001	-	9,000	Yielding
Kiryat Ono	Student dormitories	113	3,334	48,338	-	3,300	Yielding
Kiryat Ono	Residential	30	2,745	73,353	-	2,400	Yielding

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Settlement	Use	Quantity of Units	Area (sqm)	Book Value/ Amount Paid (NIS thousands)	Balance for Payment (NIS thousands)	NOI/Expected Annual NOI (NIS thousands)	Yielding/ Expected Yielding
Ramat HaSharon	Residential	50	6,041	154,884	30,505	4,500	Yielding, 11 additional apartments expected in Q4/2028
Ben Shemen	Residential	80	8,913	183,000	-	5,000	Yielding
Hadera	Residential	50	5,168	82,974	-	3,300	27 apartments received, 23 apartments expected by Q1/2027
Ramat Chen	Residential	80	7,206	38,376	178,369	6,600	Q1/2027
Total		**720**	**47,065**	**712,927**	**208,874**	**34,100**	

Solar Installations(a)

The Company has solar installations installed on the roofs of buildings it owns in Israel. The installations are used to produce electricity, which is supplied to the Israel Electric Corporation for payment. The Company periodically examines the Israel Electric Corporation's tenders and their feasibility. The following is the status of the installations as of the date of publication of the report:

	Quantity	Size (KW)	Expected Annual Income (NIS thousands)
Installation and expansion of existing facilities	398	50,121	49,683
Facilities with quota	17	4,602	3,195
Facilities in approval processes	28	5,950	4,143
Total	**443**	**60,673**	***57,021**

* The Company's share in the expected income is expected to amount to approximately NIS 52 million. The depreciated cost in the books for the solar installations is NIS 160 million and the remaining cost to completion is approximately NIS 31 million.



(a) Part of the information presented in the 5 tables above is forward-looking information according to Section 32A of the Securities Law, 5728-1968. Forward-looking information is a forecast, assessment, estimate or other information held by the Company as of the date of publication of this report relating to a future event or matter, the realization of which is uncertain and not under the sole control of the Company, and among other things, is subject, by its nature, to significant non-realization risks. Such information is affected, among other things, by the business environment in which the Company operates and by risk factors characterizing the Company's activity, including tenants' payment capacity, obtaining permits and approvals from the competent authorities, engagements with third parties, legislative and regulatory changes, and the consequences of fighting in various sectors, as detailed in the "Business Environment" chapter of this report above on the Israeli economy in general and on the Company's activity in particular, including the effects of fighting on all the factors mentioned above. For more details about the risk factors characterizing the Company's activity, see Section 1.38 "Risk Factors" and Section 1.7 "General Environment" in the Corporate Business Report of the Periodic Report for 2025.

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The Company is engaged, among other things, in the development, planning, and construction of apartments for sale in Israel. The Company has a land inventory for future construction in Israel as follows:

Land inventory for short-term residential construction and inventory of apartments for sale

Location	No. of units (1)	Project Holdings	No. of units for which sales contracts were signed but not yet delivered	Financial volume of sales agreements (NIS millions, net delivered)	No. of units for which sales contracts were signed but not yet delivered	Financial volume of sales agreements (NIS millions, net delivered)	Registrations for which a sales agreement has not yet been signed	Total inventory value as of 30.9.26 (NIS millions)	Expected remaining cost	Expected entrepreneurial profit not yet recognized
		%	As of 30.9.2026		As of report publication date					
HaSollelim	107	75%	34	162	21	99	-	236	-	83
Marom HaSharon Phase VI	18	90%	12	23	8	16	1	23	-	14
Marom HaSharon Phase VII	79	90%	2	4	2	4	-	103	-	55
Sde Dov	230	33%	65	220	66	238	-	226	185	3
Total	**434**		**113**	**409**	**97**	**356**	**1**	**588**	**185**	**155**

(1) Remaining units in inventory as of 30.9.2026.

For details regarding the required quarterly update regarding projects in accordance with the legislative proposal to amend the Securities Regulations concerning activity in the field of entrepreneurial real estate, see Appendix A to this report.

Part of the information presented in the table above is forward-looking information according to Section 32A of the Securities Law, 5728-1968. Forward-looking information is a forecast, assessment, estimate or other information held by the Company as of the date of publication of this report relating to a future event or matter, the realization of which is uncertain and not under the sole control of the Company, and among other things, is subject, by its nature, to significant non-realization risks. Such information is affected, among other things, by the risk factors characterizing the Company's activity, including the state of the economy, obtaining permits and approvals from the competent authorities, engagements with third parties, legislative and regulatory changes, increase in construction costs and consequences of fighting in various sectors, as detailed in the "Business Environment" chapter of this report above on the Israeli economy in general and on the Company's activity in particular. For more details about the risk factors characterizing the Company's activity, see Section 1.38 "Risk Factors" and Section 1.7 "General Environment" in the Corporate Business Report of the Periodic Report for 2025.

Land inventory for long-term construction

Location	No. of housing units (Company's share)	Project Holdings	Total value as of 30.9.2026
		in %	in NIS millions
Hadera Tanufort (Plots 101 and 620)*	112	50%	46
Hadera Tanufort (Plot 201)**	27	32.5%	9
Ramla	57	100%	7
Total	**196**		**62**

* Includes a plot of approximately 13.5 thousand sqm for offices (according to the Company's share). As of the date of publication of the report, 74 sales agreements have been signed in 20/80 promotions, in a financial volume of approximately NIS 163 million (total for the project) conditional and subject to obtaining a building permit.

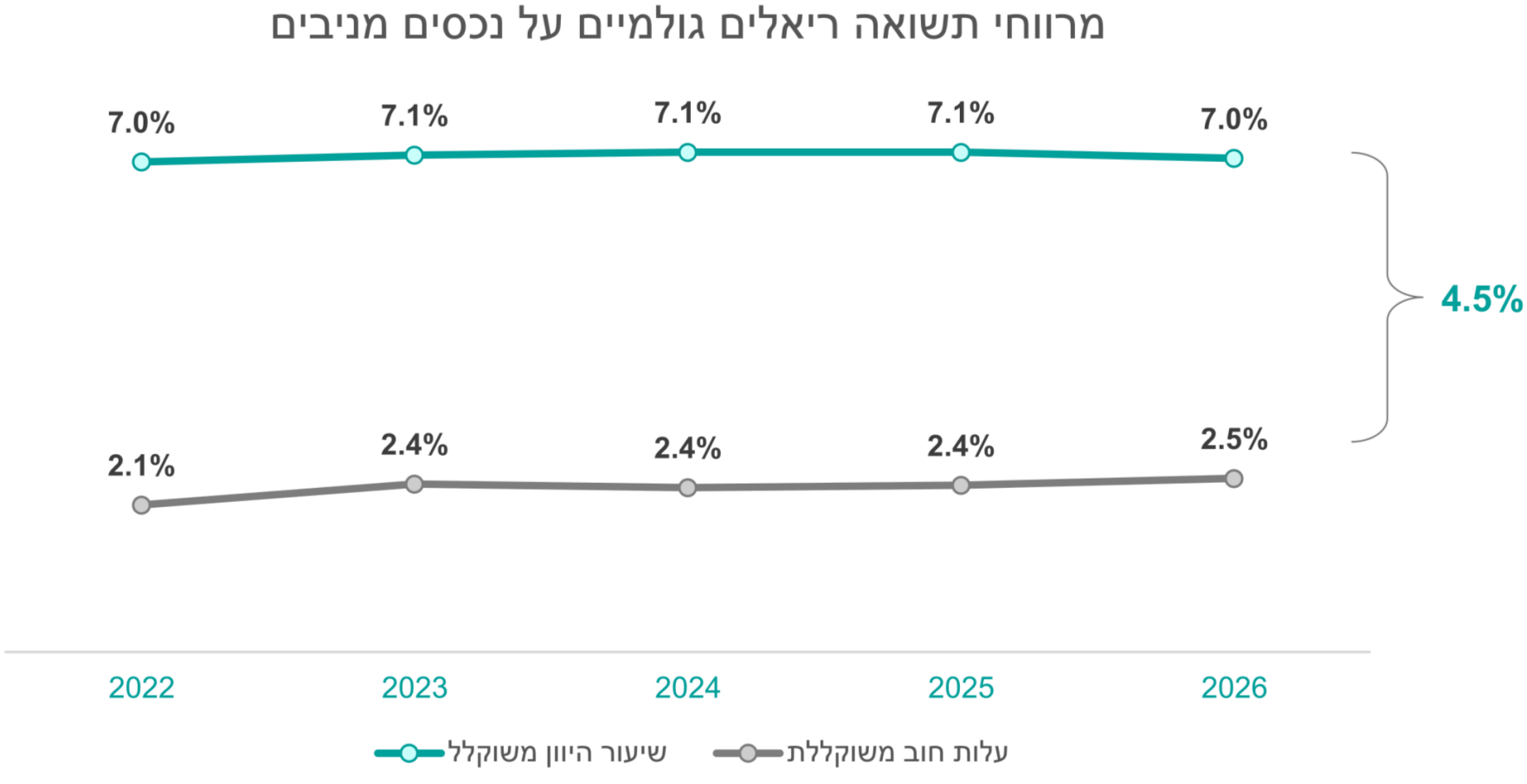
** Includes a plot of approximately 1 thousand sqm for trade (according to the Company's share). As of the date of publication of the report, 9 sales agreements have been signed in 20/80 promotions, in a financial volume of approximately NIS 19 million (total for the project) conditional and subject to obtaining a building permit.

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Debt Structure Management

The Company's policy is to maintain an efficient leverage ratio by raising debt with a long WAL (duration) and without providing pledges. The Company's net financial debt as of September 30, 2026, amounts to approximately NIS 7.9 billion. The total debt WAL in Israel is 3.87 years and the weighted effective interest rate is 2.51% CPI-linked.

As of the report publication date, the Company has cash balances and unutilized credit facilities in the amount of approximately NIS 2.1 billion and unencumbered real estate assets in the amount of approximately NIS 13.5 billion.



Debt repayment schedule over the years

	WAL	Weighted Effective Interest	2026	2027	2028	2029	2030	2031	2032 onwards	Balance as of 30.9.26*
			In NIS millions							
Israel	3.87	2.51%	638	1,313	1,481	997	788	788	3,180	**9,185**
Weighted interest rate for repayments made during the period			2.78%	2.65%	2.41%	2.03%	2.35%	2.35%	2.74%	
Weighted interest rate			2.48%	2.45%	2.46%	2.55%	2.59%	2.66%	2.89%	
Abroad	4.75	0.75%	-	-	-	-	-	174	-	**174**
Total repayments			**638**	**1,313**	**1,481**	**997**	**788**	**962**	**3,180**	**9,359**
Of which "balloon" secured by a pledge			(187)	(698)	(465)	-	-	(174)	-	
Repayments net of pledged cash flow			**451**	**615**	**1,016**	**997**	**788**	**788**	**3,180**	
Pledged asset value			**214**	**1,916**	**1,010**	-	-	**352**	-	

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	WAL	Weighted Effective Interest	2026	2027	2028	2029	2030	2031	2032 onwards	Balance as of 30.9.26*
			In NIS millions							
LTV ratio of the pledged asset			**87.2%**	**36.4%**	**46.1%**	-	-	**49.6%**	-	

* The balance as of 30.9.26 regarding BONDS does not include discount or premium.

NOI NET OPERATING INCOME

Below is information regarding the NOI (Net Operating Income from property rental and operation, net of depreciation and amortization) of the Group in Israel:

In the estimation of the Company's management, the NOI figure is one of the most important parameters in the valuations of income-producing real estate. The result of dividing this figure by the common capitalization rate in the geographical area where the property is located ("Cap Rate") constitutes one of the indications for determining the property's value (beyond other indications such as: market value of similar properties in the same area, sale prices per built square meter derived from recent transactions, etc.). In addition, the NOI figure is used for measuring the free cash flows available for servicing financial debt taken to finance the property acquisition. It is hereby emphasized that the NOI:

1. Does not present cash flows from operating activities according to generally accepted accounting principles.
2. Does not reflect cash available to finance all of the Group's cash flows, including its ability to distribute funds.
3. Should not be considered a substitute for net profit for the purpose of evaluating the Group's operating results.

NOI Development in Israel (in NIS thousands)

	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Total - NOI	**229,596**	**228,852**	**201,541**	**203,363**	**209,965**

The NOI in Israel in the third quarter of 2026 totaled approximately NIS 229 million compared to approximately NIS 209 million in the corresponding quarter last year, representing an increase of approximately 9.3%.

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Weighted Cap Rate

Below is the weighted capitalization rate (Cap Rate) calculation derived from all of the Group's income-producing real estate in Israel as of September 30, 2026:

	Consolidated (in NIS millions)
Investment property in the consolidated report as of September 30, 2026	17,098
Less - Real estate abroad	(513)
Less - Value of lands classified as investment property	(1,871)
Plus - Value of income-producing assets intended for sale	21
Income-producing investment property in Israel as of September 30, 2026	**14,735**
Less value attributed to vacant spaces	(1,303)
Less value attributed to rental housing	(628)
Investment property attributed to leased spaces as of September 30, 2026	**12,804**
NOI from income-producing assets in Israel for the period ending September 30, 2026	630
Adjusted annual NOI	922
Annual NOI less the NOI attributed to rental housing	898
Weighted capitalization rate derived from income-producing investment property (Cap Rate) in Israel	**7.01%**



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FFO Funds From Operations

FFO is an accepted measure in the USA, Canada, and Europe for providing additional information on the operating results of income-producing real estate companies, providing a proper basis for comparison between income-producing real estate companies. This measure is not required by accounting principles. FFO, as defined, expresses reported net profit, net of gains (or losses) from the sale of assets, net of one-time or unusual income or expenses, plus depreciation and amortization (regarding real estate and other fixed assets) and net of deferred taxes and non-cash expenses. It will be clarified that the FFO data results do not include the Company's results in the residential development real estate segment.

The Company believes that analysts, investors, and shareholders may receive added-value information from the measurement of the Group's operating results on an FFO basis. The FFO measure is used, among others, by analysts for the purpose of examining the dividend distribution rate out of the operating results according to the FFO of real estate companies.

It should be emphasized that FFO:

1. Does not present cash flows from operating activities according to generally accepted accounting principles.
2. Does not reflect cash in the Company's hands and its ability to distribute them.
3. Should not be considered a substitute for reported net profit for the purpose of evaluating the Group's operating results.



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FFO Calculations (in thousands of NIS)

	1-9.2026	1-9.2025	7-9.2026	7-9.2025	1-12.2025
Profit for the period (consolidated)	324,332	551,789	52,035	130,016	692,775
Adjustments:					
Neutralization of profit from residential development activity (1)	(16,131)	(45,361)	(8,119)	(6,128)	(66,093)
Depreciation and amortizations	16,967	17,208	5,656	5,850	21,986
Gains and losses from change in fair value of investment property	(184,815)	(493,305)	(63,521)	(107,144)	(483,303)
Gains and losses from sale of investment property or from sale of activity	73,152	28,915	73,267	1,644	23,762
One-time or exceptional expenses / income (2)	3,405	1,837	2,192	2,773	3,918
The effects of current and deferred tax due to the above adjustments	82,816	113,197	34,853	14,599	141,129
Adjustments (detailed above) regarding associates or joint ventures presented according to the equity method	10,528	25,655	(4,276)	(3,716)	53,289
FFO according to the ISA approach	**310,255**	**199,935**	**92,088**	**37,854**	**387,463**
Of which: FFO from continuing operations	**310,255**	**199,935**	**92,088**	**37,854**	**387,463**
Management approach, additional adjustments:					
Share-based payment	1,720	3,156	643	856	3,906
Expenses and income regarding indexation of the debt principal and exchange rate differences	181,501	236,578	80,387	112,122	195,354
Neutralization of the initiation and development activity (3)	16,544	19,722	5,348	6,884	26,331
FFO according to management approach (AFFO)	**510,020**	**459,391**	**178,466**	**157,715**	**613,054**
Of which: FFO according to management approach (AFFO) from continuing operations	**510,020**	**459,391**	**178,466**	**157,715**	**613,054**
Adjustments arising from the share of non-controlling interests	(3,676)	(3,193)	(947)	(710)	(3,822)
FFO according to management approach (AFFO) attributable to the company's shareholders	**506,344**	**456,198**	**177,520**	**157,005**	**609,232**
Of which: FFO according to management approach (AFFO) attributable to the company's shareholders from continuing operations	**506,344**	**456,198**	**177,520**	**157,005**	**609,232**
Change in the index rate during the period (4)	**2.12%**	**2.95%**	**0.95%**	**1.36%**	**2.36%**

(1) Includes adjustment to neutralize management and general costs and indirect financing of the company in accordance with the ISA position paper update on FFO. A relative portion of management and general expenses not directly attributed to the income-generating real estate was neutralized. Also, indirect financing expenses of the company arising from secondary activity were neutralized.

(2) The item mainly includes one-time consulting costs regarding the closure of foreign companies.

(3) The item mainly includes neutralization of effects for land and non-income-generating rights.

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(4) A change in the Consumer Price Index rate has an effect on current tax expenses. When there is an increase/decrease in the Consumer Price Index, there is an increase/decrease in financing expenses due to index-linked debt, causing a decrease/increase in provisions for current taxes.

Forecast for 2026

Following is the AFFO forecast from income-generating assets and the NOI forecast for 2026:

The company's forecast for its main operating results for 2026 is based on the following working assumptions:

- Increase in the Consumer Price Index at an annual rate of about 2.5%.
- Without selling assets, and without purchasing new assets.
- No material changes will occur in the business environment in which the company operates in Israel.
- The company management's expectation is that most of the lease agreements expiring during 2026 will be renewed.
- Assumption of the occupancy date of new assets (including the Hassolxlim project in Tel Aviv) according to the company's expectation.

Forecast 2026, in millions of NIS			
	Actual 1-9/2026	Forecast 2026	Actual 2025
NOI	690	**930-950**	858
AFFO	510	**660-680**	613

The information in the table above including a forecast for the entire year 2026 is forward-looking information according to Section 32A of the Securities Law, 5728-1968. Forward-looking information is a forecast, assessment, estimate or other information held by the company as they are at the date of publication of this report relating to a future event or matter, whose realization is uncertain and is not under the sole control of the company, and among other things, is subject, by its nature, to significant risks of non-realization. Such information is influenced, among other things, by the business environment in which the company operates and by the risk factors characterizing the company's activities, including the state of the economy in Israel, a global or regional geo-political crisis, and the consequences of fighting in various sectors about which details were provided in the "Business Environment" chapter in this report above on the Israeli economy in general and on the company's activities in particular, and their possible impact on changes in occupancy, interest, tenants' ability to pay, rent levels, and the progress of projects under construction. Changes in the business environment or the realization of any of the company's risk factors may affect the company's activity and its financial results in a manner different from the assessments detailed above. For details about the risk factors characterizing the company's activities, see section 1.38 "Risk Factors" and also section 1.7 "General Environment" in chapter A of the corporate business report of the periodic report for 2025 and in this report above.

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Results of Operations according to Consolidated Financial Statements

Summary Table of Business Results (in millions of NIS)

	1-9.26	1-9.25	7-9.26	7-9.25	Comments and Explanations
Rental and property management income	860	803	303	273	The growth results mainly from the index rise and from recognizing income in the Hassolxlim project and Bar-On center, as well as a real increase in rent.
Maintenance and management cost	(200)	(185)	(74)	(64)	
Income from sale of apartments and land	104	286	49	56	Income in the corresponding period last year results mainly from income from the Hassolxlim project in Tel Aviv in the amount of approximately NIS 151 million (mainly as a result of the Megureit transaction) and from the Marom HaSharon project in the amount of approximately NIS 20 million.
Cost of apartments and land sold	68	204	33	37	
Increase in fair value of investment property	185	493	64	107	During the reporting period, 186 valuations were performed for assets in Israel valued at approximately NIS 10 billion. Additionally, 319 internal appraisals were performed according to the value-in-use model existing in the company at a total value of approximately NIS 1.37 billion. The main net increase in the period in asset value results mainly from the rise in the Consumer Price Index and the increase in real rent.
General and administrative, selling and marketing expenses	85	105	31	34	Stemming mainly from a decrease in selling and marketing expenses.
Financing expenses Interest expenses, net	119	122	39	42	
Expenses regarding index change, net	180	234	84	111	
Other	1	7	(4)	6	
Total	**300**	**363**	**119**	**159**	
Income tax expenses	**111**	**129**	**45**	**18**	
Net profit	**324**	**552**	**52**	**130**	**Includes a loss of NIS 74 million resulting from the realization of a translation difference capital fund as a result of the sale of an asset in Canada.**

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Summary Table of Financial Position, Liquidity and Sources of Financing (in millions of NIS)

As of 30.9.2026As of 31.12.2025Comments and ExplanationsCurrent assets2,0442,602Investments accounted for using the equity method592588Investment property, investment property under development and prepayments on account of investment in real estate17,40016,997The increase stems mainly from real estate revaluations and investments during the reporting period.Land inventory for construction6273The decrease stems mainly from the sale of land in Or AkivaShort-term credit, current maturities1,8001,856During the period, the company performed a redemption of commercial papers Series 2 in the amount of approximately NIS 313 million, redemption of BONDS (Series 23) in the amount of approximately NIS 600 million, as well as current redemptions of BONDS Series 112 current maturities of BONDS and long-term loans.Long-term loans and liabilities from banking corporations, credit providers and others393592The main change stems from the classification of loans in the amount of approximately NIS 220 million as short-term.Long-term BONDS6,9476,923The main change stems from the raising of BONDS Series 27 in the amount of approximately NIS 761 million and, on the other hand, classification of current maturities as short-term.Total equity attributable to shareholders8,8918,777Total equity8,9728,855

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Cash and Credit Facilities

Sources	in NIS millions	
	1-9.2026	7-9.2026
Cash balance at the beginning of the period	**1,279**	**1,701**
Cash generated from operating activities	**764**	**178**
Sale of assets	71	64
Short-term investments, net	218	39
Investments in investment property, investment property under development and fixed assets	(446)	(115)
Investments and loans in companies accounted for using the equity method, net	(3)	-
Repayment of long-term deposit	(10)	(7)
Total investing activities	**(170)**	**(19)**
Repayment of loans from banks, long-term liabilities and others	(123)	(5)
Repayment of BONDS	(803)	(603)
Receipt of loans from banks and long-term liabilities	49	14
Issuance of BONDS	761	-
Short-term credit	(308)	(2)
Dividend paid to shareholders	(250)	(75)
Dividend paid to non-controlling interests	(1)	-
Total financing activities	**(675)**	**(671)**
Exchange rate differences on cash and cash equivalents	**(9)**	**1**
Cash balance at the end of the period	**1,189**	**1,189**

Financing and Credit Facilities

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As of the date of publication of the report, the company has cash balances and unutilized credit facilities totaling approximately NIS 2.1 billion. As of the report date and the date of publication of the report, the company complies with all financial covenants to which it committed under the loan agreements and the trust deeds of the company's BONDS.

For details regarding the BONDS (Series 20, 25, and 26) which constitute a "material loan" as defined in legal position 104-15: reportable credit event published by the Securities Authority on October 30, 2011, as updated on March 19, 2017, February 2, 2023, and January 14, 2024 ("Reportable Credit Directive"), see Appendix D to the Board of Directors' report.

For details regarding the issuance of BONDS Series 27 in the reporting period, see the chapter "Events during the reporting period and thereafter" in this report above, Appendix D to the Board of Directors' report and Note 5i to the quarterly financial statements.

Working Capital

As of September 30, 2026, the company has a deficit in consolidated working capital totaling approximately NIS 40 million and in solo working capital totaling approximately NIS 344 million, resulting from current maturities of long-term BONDS whose repayment date will fall in the coming year. The company has cash balances, positive operating activities, and unencumbered assets totaling approximately NIS 13.5 billion.

In the assessment of the company's management and the Board of Directors, this deficit does not indicate a liquidity problem in the company and the company is expected to meet its obligations in the foreseeable future.

Linkage Balance

The company has financial liabilities in the amount of approximately NIS 9.4 billion, of which approximately NIS 8.6 billion are index-linked. The company's income-producing real estate in Israel is valued at approximately NIS 14.9 billion, mostly leased under index-linked lease agreements, and the company views this as long-term inflationary protection.

Investment in Associates

The company has investments in held companies operating in Israel and abroad. The company records its investments in these companies using the equity method. As of September 30, 2026, the investment in these companies stands at approximately NIS 592 million.

Credit Rating

On March 24, 2026, Midroog announced that it maintains the rating of the company and the BONDS issued by the company (Series 16, 17, 20, 24, 25, and 26) at Aa2.il, stable rating outlook. In addition, it maintained the Aa1.il rating for BONDS (Series 19 and 23) with a stable rating outlook, as well as the P-1.il rating for commercial papers Series 2.

On June 23, 2026, S&P Maalot announced the confirmation of ilAA rating with a stable outlook for the BONDS (Series 16-17, 19-20, 23-27) issued by the company and the confirmation of ilA-1+ short-term rating.

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Material Valuation - "HaSolelim" Project Tel Aviv - Yafo.

Below are details regarding a material valuation performed by the company for the income-producing component in the "HaSolelim" project with an area of approximately 68 thousand square meters (fully owned by the company) in accordance with Regulation 8b(i) of the Securities Regulations (Periodic reports and Immediate Reports) 1970.

Asset Name	HaSolelim
Valuation Date	30/06/2026
Value immediately prior to the valuation date (in NIS thousands)	1,640,647
Value determined according to the valuation (in NIS thousands)	1,672,000
Identity of the Appraiser	Conforti Rafael from the firm Conforti Raviv Goldenberg, real estate appraiser, holds a Bachelor's degree in Economics from Tel Aviv University, with 20 years of experience in the field of real estate appraisal and valuations. The appraiser is independent of the company and no indemnity agreement exists with him.
Valuation Model	Discounted Cash Flow (DCF) approach net of expected costs to complete the project.
Main assumptions used for the valuation	Capitalization rate of 6.25%-6.75%
Expected annual NOI with full occupancy (in NIS thousands)*	118,070

***Forward-looking information according to Section 32a of the Securities Law, 1968. Forward-looking information is a forecast, assessment, estimate or other information held by the company as of the date of publication of this report relating to a future event or matter, the realization of which is uncertain and not solely within the company's control, and among other things, is inherently subject to significant risks of non-realization. Such information is affected, among other things, by the business environment in which the company operates and risk factors characterizing the company's activity, including the payment capacity of tenants, receipt of permits and approvals from the competent authorities, engagements with third parties, changes in legislation and standardiation as well as the consequences of the fighting as detailed in the "Business Environment" chapter in this report above on the Israeli economy in general and on the company's activity in particular, including the effects of the fighting on all factors mentioned above. For further details regarding the risk factors characterizing the company's activity, see Section 1.38 "Risk Factors" and Section 1.7 "General Environment" in the Description of the Corporation's Business of the Periodic report for 2025.**

Dividend Policy and Share Buyback Plan

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On March 24, 2026, the company's Board of Directors decided on a dividend distribution in the amount of NIS 100 million for the year 2025, (for further details regarding the immediate distribution report published by the company on April 23, 2026 (Reference: 2026-01-037328)). At the same time, the company's Board of Directors decided on adopting a distribution policy for 2026 according to which the company intends to distribute (as a dividend or through self-purchase of the company's shares) up to 50% of the company's annual AFFO, considering that the net financial debt to CAP ratio in the company will not exceed approximately 50%. Every distribution will be subject to a specific decision of the company's Board of Directors after examining the distribution tests according to the provisions of the law, considering the company's business status, its expected cash flow, the company's strategy and its business needs. Furthermore, it was determined that the company's Board of Directors may change from time to time, at its sole discretion, the company's distribution policy.

On May 25, 2026, the company's Board of Directors decided on a dividend distribution in the amount of NIS 75 million for the first quarter of 2026, the dividend was paid on June 29, 2026.

On August 17, 2026, the company's Board of Directors approved a dividend distribution in the amount of NIS 75 million for the second quarter of 2026. The dividend was paid on September 16, 2026.

On November 15, 2026, the company's Board of Directors approved a dividend distribution in the amount of NIS 75 million for the third quarter of 2026.

To the best of the company's knowledge, there are no restrictions applicable to it that may affect its ability to distribute dividends in the future, except for the provisions of the Companies Law and except for the provisions of the trust deeds for BONDS (Series 9-17, 19-20 and 24-27) of the company. For further details see Note 20c in the Periodic report for 2025 and Note 5i in the consolidated interim financial statements as of September 30, 2026.

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The Company's Board of Directors thanks the Company's employees for their dedicated work during the reporting period as well as the holders of the Company's securities for the trust they place in the Company.

Tal Fuhrer
Chairman of the Board

Uzi Levy
Company CEO

November 15, 2026

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נספח א'

פרטים אודות נכסי נדל"ן יזמי

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Appendix A

Details regarding Real Estate Development Assets

1. Details regarding Real Estate Development assets which were classified as very material assets in the Periodic report for 2025

1.1 HaSolelim Project

1.1.1 Costs invested and to be invested in the project (in NIS thousands)

Data according to 100%, except where stated otherwise. Company's share in the asset - 75%		Q3, 2026	Q2, 2026	Q1, 2026	Year 2025	Year 2024
Costs Invested	Cumulative costs for land at the end of the period	342,809	342,809	342,809	342,809	344,423
	Cumulative costs for development, taxes, and levies	59,030	53,968	53,015	53,015	45,614
	Cumulative costs for construction	443,762	434,841	433,584	421,654	369,631
	Cumulative costs for financing (capitalized)(*)	12,756	12,756	12,756	12,756	12,756
	Total cumulative cost	**858,357**	**844,374**	**842,164**	**830,234**	**772,425**
	Total cumulative cost in books(*)	**235,902**	**249,297**	**252,440**	**262,858**	**438,724**
Costs expected to be invested in the future	Costs for land not yet invested (estimate)	-	-	-	-	-
	Costs for development, taxes, and levies not yet invested (estimate)	15,197	17,183	12,157	12,157	19,640
	Costs for construction not yet invested (estimate)	-	8,184	11,836	23,765	62,177
	Cumulative costs for financing expected to be capitalized in the future (estimate)	-	-	-	-	-
	Total cost remaining for completion	**15,197**	**25,367**	**23,993**	**35,922**	**81,816**
	Completion rate (excluding land)	100%	98%	97%	95%	85%
	Expected construction completion date	2026	2026	2026	2026	2025

(*) Company's share.

It should be emphasized that the detailed estimates above regarding costs not yet invested are forward-looking information (as this term is defined in Section 32A of the Securities Law, 5728-1968), the realization of which is uncertain and not under the Company's control. The said information is based on existing agreements, forecasts and estimates of the Company regarding the project schedules, as well as on the assumption that expenses not yet incurred to date will be in accordance with the Company's estimates and are affected, inter alia, by the business environment in which the Company operates and by the risk factors characterizing the Company's activities. A change in any of the variables described above, including as a result of the implications of the fighting on the various fronts as detailed in the "Business Environment" chapter above, may bring about a change in the amount of the costs described. For further details regarding the risk factors characterizing the Company's activity, see section 1.38 "Risk Factors" in the report on the corporation's business of the Periodic report for 2025.

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1.1.2 Project Marketing

Company's share in the project - 75%			Q3, 2026	Q2, 2026	Q1, 2026	Year 2025	Year 2024
Contracts signed during the period	Housing Units	Quantity	3	2	4	92	68
		Sqm	390	181	507	10,319	6,730
Average price per Sqm in contracts signed during the period			37,016	38,368	36,399	37,052	40,052
Cumulative contracts until the end of the period	Housing Units	Quantity	253	250	248	245	153
		Sqm	27,973	27,583	27,403	27,032	16,694
Average price per Sqm cumulatively in contracts signed until the end of the period			36,420	36,411	36,399	36,409	35,913
Project Marketing Rate	Total expected revenue from entire project (in NIS thousands)		1,415,309	1,441,821	1,436,171	1,452,897	1,448,661
	Total expected revenue from contracts signed cumulatively (in NIS thousands)		983,809	969,126	960,355	945,651	573,484
	Marketing rate as of the last day of the period		70%	67%	67%	65%	40%
Areas for which contracts have not yet been signed	Housing Units	Quantity	107	110	112	115	207
		Sqm	9,496	9,886	10,066	10,437	20,756
Total cumulative cost (inventory balance) attributed to areas for which binding contracts have not yet been signed in the statement of financial position (in NIS thousands)			**235,902**	**249,297**	**252,440**	**262,858**	**438,724**
Number of contracts signed from the end of the period until the report publication date	Quantity		-				
	Sqm		-				
Average price per Sqm in contracts signed from the end of the period until the report publication date			-				

*Prices exclude VAT

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2. Details regarding Real Estate Development assets which were classified as non-very material assets in the Periodic report for 2025

Project NameQ3,

2026Q2,

2026Q1,

20262025Marom HaSharon

Phase VINumber of contracts signed during the period105434Areas for which agreements were signed during the period (sqm)1,0885184753,578Average price per sqm in signed contracts (NIS)16,18716,65616,80616,688Marom HaSharon

Phase VIINumber of contracts signed during the period-2--Areas for which agreements were signed during the period (sqm)-219--Average price per sqm in signed contracts (NIS)-17,297--Sde DovNumber of contracts signed during the period2121140Areas for which agreements were signed during the period (sqm)2149667902,226Average price per sqm in signed contracts (NIS)64,78060,05550,33948,901

* Prices exclude VAT

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example.com/image.jpg" alt="Project Visualization" />

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נספח ב'

חשיפה לסיכוני שוק ודרכי ניהולם

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Appendix B

Exposure to Market Risks and Their Management

1. The person responsible for market risk management is Mr. Uzi Levy, CEO of the Company.

2. During the reporting period, there was no material change in market risks compared to those reported in the Periodic report for 2025.

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נספח ג'

הוראות גילוי בקשר עם הדיווח הפיננסי של התאגיד

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Appendix C

Disclosure instructions in connection with the financial reporting of the corporation;
Environmental and Social Responsibility

1. Material events during and after the reporting period

For details about events that occurred during the report period and thereafter, see Note 5 in the quarterly financial statements.

2. Environmental, Social and Corporate Governance responsibility (Environmental, Social
(and Governance)

The Company operates in several fields to address environmental impacts resulting from or related to its activities, while reducing physical and regulatory risks. In addition, the Company works to maintain proper corporate governance and build relationships of trust and cooperation with the community and many stakeholders, including its customers, suppliers, the capital market, and shareholders.

Renewable energy and investment in solar energy ventures

The Company continues to deepen its involvement in the renewable energy field and is in the midst of an extensive project to install solar systems on the roofs of its properties throughout the country, through which electricity is produced from renewable energy sources, which is sold to the Electric Company under long-term agreements. As part of the project, in some of the properties, old roofs, some of which were built from polluting materials, were replaced and upgraded. Furthermore, the Company has completed the process of upgrading the solar systems it owns, which included increasing their efficiency by replacing existing equipment with new equipment, and is also nearing the end of the process of adding new systems as part of utilizing all the suitable roof areas of the Company's properties. As of the publication date of this report, the Company has solar systems with a capacity of approximately 50 MW. The Company continues to act to increase electricity production from existing solar systems by adding storage facilities.

At the end of 2025, the Company entered into an agreement with a company from the Enlight group for the purchase of electricity from renewable energy sources for the Company's properties, as well as for cooperation including the establishment of partnerships, in equal parts, which will operate to plan, develop, establish, and operate storage facilities in certain properties of the Company. The said agreement includes, among other things, granting the Company the right to purchase IREC green certificates at a discount on the market price, in a way that will allow the Company to reduce its carbon footprint. For further details, see Note 13f in the financial statements for 2025.

Green construction; energy efficiency in the maintenance of veteran properties

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The Company has new office tower and employment complex projects under development which are being built to LEED Platinum or LEED Gold rating, which is a voluntary international standard for green building certification based on principles of environmental and social responsibility. The standard examines various categories such as energy saving and the use of renewable energies, efficient use of water, etc. The standard includes four levels - Platinum, Gold, Silver, and Certified - with Platinum being the maximum rating. Accordingly, the Company's new employment complexes will provide its customers with optimal working conditions while saving energy and protecting the environment. Also in the Company's older employment complexes, the Company works regularly to upgrade them, giving weight to aspects of environmental protection and energy saving, and it carries out investments in replacing bulbs with energy-saving LED bulbs, replacing chillers, and installing charging stations for electric vehicles in its parking lots.

Promoting electric transportation infrastructure

The Company has an engagement with Scala Smart Energy Ltd. regarding approximately 55 public charging stations (fast and regular) in 13 shopping and employment complexes owned by it. In addition, the Company provides suitable infrastructure in its parking lots for connecting tenants' vehicles to private charging stations.

Adopting an environmental policy

The Company considers the field of environmental quality and climate change a central pillar of its business and management strategy. Given its growing importance and its potential impact on the Company's operations, the subject is under the supervision of the Company's Board of Directors.

As part of the Company's commitment to responsible and sustainable conduct, in March 2025, the Company's Board of Directors adopted an environmental policy. This policy establishes a management framework, including mechanisms for identifying, monitoring, and managing potential risks in the field of environmental quality and climate change, which may materially affect the Company's activities, its assets, and its stakeholders. For details about the policy, its principles, and its applications, as well as environmental enforcement programs, see section 1.32 in Part A of the Corporation's Business Report of the Periodic report for 2025.

Code of Ethics; gender equality and protection of employee rights

The Company has championed values of proper corporate governance, gender equality, and the protection of employee rights. The Company has a Code of Ethics which all Company employees and managers commit to follow, and within which the Company's values are included, including: green construction, environmental responsibility in the Company's offices, protection of the environment in all areas of activity, promotion and integration of people with disabilities, investment in employees, lack of discrimination, mutual respect, fair working hours, prevention of harassment, a safe work environment, public participation and transparency of reporting, fair dismissal, fair trade, fairness and respect for the customer, compliance with contracts, and more. To this end, the Company has appointed a Human Resources Manager whose primary roles include caring for the welfare of employees and protecting their rights.

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נספח ד'

גילוי ייעודי למחזיקי אגרות חוב: תעודות התחייבות שבידי הציבור

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Appendix D

Dedicated disclosure for BONDS holders: Liability certificates held by the public

As of the date of publication of the report, there are 8 series of tradable BONDS issued by the Company in circulation, as detailed in the table below. It should be noted that during the reporting period and as of the date of the report, the Company complied with all terms and obligations under the trust deeds, and furthermore, no conditions occurred that constitute cause for the BONDS to be called for redemption or for the realization of collateral under the terms of the trust deeds.

For 30.9.2026 (in NIS thousands)	BONDS (Series 16')	BONDS (Series 14')	BONDS (Series 9')	BONDS (Series 20')
Date of issue	10.7.2014 Expansion 17.5.2020	10.7.2014 Expansions - during 2016, 23.2.2017, 23.10.2017	29.9.2016 Expansions - 12.1.2017, 26.1.2017, 21.2.2017, 27.8.2020	30.7.2017 Expansions - 27.3.2022, 8.6.2023, 4.1.2024
par value at date of issue and by way of expansion	347,130	747,503	487,512	1,565,042
par value in circulation	78,035	150,372	315,052	1,193,315
Stock exchange price (in agorot)	103.31	123.12	120.55	123.55
par value in circulation, linked	78,035	181,289	382,898	1,454,697
Accrued interest	1,111	1,691	-	10,303
Fair value	80,618	185,138	379,795	1,474,340
Type of interest	**Fixed interest**			
Nominal annual interest rate	5.65%	3.7%	2.6%	2.81%
Principal payment dates	Twelve unequal annual payments to be paid on June 30 of each of the years 2017-2028 (inclusive). In each of the first four payments, 5% of the principal will be paid and in each of the fifth to twelfth payments, 10% of the principal will be paid.	Twelve unequal annual payments to be paid on June 30 of each of the years 2017-2028 (inclusive). In each of the first four payments, 5% of the principal will be paid and in each of the fifth to twelfth payments, 10% of the principal will be paid.	Nine unequal payments to be paid on March 31 of each of the years 2018-2023 (inclusive) and each of the years 2025-2027 (inclusive). In the first three payments, 2% of the principal will be paid, in each of the next five payments, 5% of the principal will be paid, and in the ninth payment, 69% of the principal will be paid.	Eight unequal payments to be paid on December 31 of each of the years 2019-2029 (inclusive), except for the years 2022, 2024 and 2027. First, third and fourth payments 5%, second and fifth payments 10%, sixth and seventh payments 20% and eighth payment 25%.
Interest payment dates	June 30 and December 31 of each of the years 2014-2027 (inclusive) as well as on June 30, 2028.	June 30 and December 31 of each of the years 2014-2027 (inclusive) as well as on June 30, 2028.	March 31 and September 30 of each of the years 2017 to 2026 (inclusive), as well as on March 31, 2027.	December 31 and June 30 in each of the years 2017 to 2029 (inclusive).

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For 30.9.2026 (in NIS thousands)	BONDS (Series 16')	BONDS (Series 17')	BONDS (Series 19')	BONDS (Series 20')
Basis and linkage terms (principal and interest)	Unlinked	Index for month 5.2014	Index for month 8.2016	Index for month 6.2017
Does it constitute a material liability	No	No	No	Yes
Rating company 1	Midroog For further details, see the financing section in this report above under the heading "Credit Rating".			
Rating	Aa2 with stable outlook	Aa2 with stable outlook	Aa1 with stable outlook	Aa2 with stable outlook
Rating company 2	S&P Maalot			
Rating	AA stable			
Is there a guarantee for payment of the liabilities	No			
Are there liens	No	No	Yes. 'Real estate assets'. See Appendix A to Part A of the Periodic report for 2025. For details regarding the collateral replacement mechanism see section 5.9 of the trust deed attached as Appendix B to the shelf offering report dated 26.8.2020 (reference number: 2020-01-084685). It should be noted that the aforementioned liens are valid according to any law and also according to the Company's articles of association.	No
Value of pledged assets in the financial report (*)	-	-	786,503	-
Trustee	Mishmeret Trust Services Company Ltd (1)		Reznik Paz Nevo Trusts Ltd (2)	
Right to early redemption	(3)			

(*) Following section A of Appendix A to the Periodic report for 2025, "Disclosure regarding assets pledged to secure the repayment of BONDS (Series 19')", it should be noted that there has been no change in the valuations conducted by the company for September 30, 2026, except for the asset values: Kfar Saba NIS 355,228 thousand, Kiryat Malachi NIS 70,870 thousand, Beit Shemesh NIS 21,700 thousand, Mehayim NIS 16,813 thousand, Kanot NIS 100,380 thousand, Yokneam (Luminis) NIS 124,649 thousand and Nazareth Illit NIS 48,272 thousand.

Other details regarding the valuation, including the assumptions upon which it was prepared, as required according to Regulation 8b(t) of the Periodic and Immediate Reports Regulations, 1970, remain unchanged.

Quarterly report for September 30, 2026 | Board of Directors' report on the state of the company's affairs

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For 30.9.2026 (in NIS thousands)	BONDS Series Kd' (Formerly Series 15' in Jerusalem Economy Ltd)	BONDS Series 25'	BONDS Series 26'	BONDS Series 27'
Date of issue	21.6.2017	1.11.2021 Expansions - 6.2.2023, 8.6.2023, 4.1.2024	28.4.2025 Expansion on 20.10.2025	16.6.2026
par value at date of issue, including issue by way of expansion	612,810	3,637,520	1,295,520	769,043
par value in circulation	392,198	3,300,859	1,295,520	769,043
Stock exchange price (in agorot)	121.99	106.47	106.79	98.74
par value in circulation, linked	474,771	3,882,768	1,343,784	774,165
Accrued interest	3,111	-	-	-
Fair value	478,443	3,514,424	1,383,486	759,353
Type of interest	**Fixed interest**			
Nominal annual interest rate	2.6%	0.35%	3.24%	2.73%
Principal payment dates	Six payments at a rate of 4% of the principal each on June 30 of the years 2019 to 2024, three payments at a rate of 6% of the principal each on June 30 of the years 2025 to 2027, and the remaining 58% of the principal on 30.6.2028.	Nine unequal payments which will be paid on 30.9 of each of the years 2025 and 2027-2033. First and second payments at a rate of 5% of the principal, third to fifth payments at a rate of 10% of the principal and sixth to ninth payments at a rate of 15% of the principal, each.	Three unequal payments which will be paid on 31.3 of each of the years 2030-2031 and 2034. First and second payments at a rate of 10% of the principal and third payment at a rate of 80% of the principal.	6 unequal payments which will be paid on 31.3 of each of the years 2032-2033 and 2035-2038. First and second payments at a rate of 10% of the principal, third to sixth payments at a rate of 20% of the principal.
Interest payment dates	30.6 and 31.12 each year from 31.12.2017 to 30.6.2028	31.3 and 30.9 each year from 31.3.2022 to 30.9.2033	31.3 and 30.9 each year from 31.3.2026 to 31.3.2034	31.3 and 30.9 each year from 31.3.2026 to 31.3.2038
Basis and linkage terms (principal and interest)	Index for 5.2017	Index for 9.2021	Index for 3.2025	Index for 4.2026
Does it constitute a material liability	No	Yes	Yes	No
Rating company 1	For further details, see the financing section in this report above under the heading "Credit Rating".	Midroog For further details, see the financing section in this report above under the heading "Credit Rating".		Midroog For further details, see "Events during and after the reporting period" section in this report above.
Rating	Aa2 with stable outlook	Aa2 with stable outlook	Aa2 with stable outlook	Aa2 with stable outlook
Rating company 2	S&P Maalot			
Rating	AA stable			
Is there a guarantee for payment of the liabilities	No			
Are there liens	Yes. Shares of Darban Investments Ltd (a wholly-owned subsidiary of the Company). See Note 23'1 to the consolidated financial statements for the year 2025. It should be noted that the lien	No	No	No

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For 30.9.2026 (in NIS thousands)	BONDS Series Kd' (Formerly Series 15' in Jerusalem Economy Ltd)	BONDS Series 25'	BONDS Series 26'	BONDS Series 24'
	The aforesaid is valid according to any law and also according to the Company's articles of association.			
Value of pledged assets in the financial report (*)	965,403	-	-	-
Trustee		Reznik Paz Nevo Trusts Ltd (2)		Mishmeret Trust Services Company Ltd (1)
Right to early redemption		(3)		



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Additional details regarding the Company's BONDS

(1) Mishmeret Trust Services Company Ltd., whose contact details to the best of the Company's knowledge are as follows: Contact person: Mr. Rami Sabti; Address: 46-48 Menachem Begin Road, Tel Aviv; Phone: 03-6386894; Fax: 03-6374344; Email address: Trusts@bdo.co.il.

(2) Reznik Paz Nevo Trusts Ltd., whose details, to the best of the Company's knowledge, are as follows: Contact person: Yossi Reznik; Address: 14 Yad Harutzim Street, Tel Aviv; Phone: 03-6389200; Fax: 03-6389222; Email address: trust@rpn.co.il.

(3) In the terms of the BONDS of all series, it is established that the Company has the right to early redemption, which will be carried out in accordance with the provisions of the TASE Regulations and its guidelines. The Company shall be entitled to perform early redemption starting from the date of registration for trading of the BONDS, provided that the minimum redemption amount shall not be less than NIS 1 million. Furthermore, in the terms of the BONDS (Series 16-17, 20, 25, and 27), the Company undertook not to create a general floating charge on its assets in favor of a third party.

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Reportable Credit

The BONDS (Series 20, 25, and 26) of the Company constitute reportable credit.

Below are details regarding the Company's compliance with financial covenants (Series 20):

Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 1.2 billion, for two consecutive quarters.	8,891	Complies with condition
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 75% for two consecutive quarters.	40.9%	Complies with condition
Net financial debt ratio, as defined in the trust deed, to gross profit shall not exceed 17, for two consecutive quarters.	8.3	Complies with condition
Equity to net balance sheet ratio, as defined in the trust deed, shall not be less than 16%, for two consecutive quarters.	46.1%	Complies with condition

Restrictions on dividend distribution in accordance with the provisions of the trust deed of the BONDS (Series 20):

Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 1.3 billion.	8,891	Complies with condition
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 73%.	40.9%	Complies with condition
Net financial debt ratio, as defined in the trust deed, to gross profit shall not exceed 15.	8.3	Complies with condition
Equity to net balance sheet ratio, as defined in the trust deed, shall not be less than 17%, for two consecutive quarters.	46.1%	Complies with condition

Below are details regarding the Company's compliance with financial covenants (Series 25):

Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 2.5 billion, for two consecutive quarters.	8,891	Complies with condition

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Covenant	Ratio as of report date	Compliance as of report date
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 75% for two consecutive quarters.	40.9%	Complies with condition
Net financial debt ratio, as defined in the trust deed, to gross profit shall not exceed 16, for two consecutive quarters.	8.3	Complies with condition
Equity to net balance sheet ratio, as defined in the trust deed, shall not be less than 20%, for two consecutive quarters.	46.1%	Complies with condition

Restrictions on dividend distribution in accordance with the provisions of the trust deed of the BONDS (Series 25):

Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 3.4 billion.	8,891	Complies with condition
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 70%.	46.1%	Complies with condition
Net financial debt ratio, as defined in the trust deed, to gross profit shall not exceed 13.	8.3	Complies with condition

Below are details regarding the Company's compliance with financial covenants (Series 26):

Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 3.5 billion, for two consecutive quarters.	8,891	Complies with condition
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 72% for two consecutive quarters.	40.9%	Complies with condition
Equity to net balance sheet ratio, as defined in the trust deed, shall not be less than 22%, for two consecutive quarters.	46.1%	Complies with condition

Restrictions on dividend distribution in accordance with the provisions of the trust deed of the BONDS (Series 27):

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Covenant	Ratio as of report date	Compliance as of report date
Attributed equity falls below NIS 3.9 billion.	8,891	Complies with condition
Financial debt to net balance sheet ratio as defined in the trust deed shall not exceed 70%.	40.9%	Complies with condition

Existence of a Cross Default Mechanism

BONDS (Series 20)	A cause for immediate repayment was established if one of the following was called for immediate repayment: (1) another series of BONDS issued by the Company; or (2) cumulative debt and/or debts of the Company to a financial institution and/or financial institutions, including an institutional body (excluding debt that is non-recourse), in an amount exceeding NIS 200 million, provided that said call for immediate repayment was not canceled within 21 days.
BONDS (Series 25)	A cause for immediate repayment was established if one of the following was called for immediate repayment: (1) another series of BONDS issued by the Company; or (2) cumulative debt and/or debts of the Company to a financial institution and/or financial institutions, including an institutional body (excluding debt that is non-recourse), in an amount exceeding NIS 400 million, provided that said call for immediate repayment was not canceled within 30 days.
BONDS (Series 26)	A cause for immediate repayment was established if one of the following was called for immediate repayment: (1) another series of BONDS issued by the Company; or (2) cumulative debt and/or debts of the Company to a financial institution and/or financial institutions, including an institutional body (excluding debt that is non-recourse), in an amount exceeding NIS 600 million, provided that said call for immediate repayment was not canceled within 30 days.

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General	As of September 30, 2026, the Group has loans, BONDS, and credit in a total volume of approximately NIS 9.1 billion which, except for the BONDS (Series 20, 25, and 26), each of them does not constitute a material loan according to the reportable credit guideline. The credit documents entered into by the Group from time to time for the purpose of taking the various loans include causes for immediate repayment which, among other things, refer to a Cross-Default of other credits of the Group (where those other credits may be credits above a certain determined volume, credits not limited in amount, credits provided by the same lender only, or credits provided by any lender) as well as other causes regarding the existence of events indicating an apparent deterioration in the Company's business and/or its ability to service its debts. In view of this, a call for immediate repayment of non-material credit provided to the Company or the Group companies may lead to a call for immediate repayment of other credits. It should further be noted that although a scenario of the existence of a cause for immediate repayment due to the cross-default provision as mentioned could occur under such circumstances, in the Company's estimation, given its financial position and the scope of its assets, the likelihood of such an event occurring is not high.

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נספח ה'

דוח בסיסי הצמדה

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Appendix E

Linkage Basis Report

Linkage Basis Report according to consolidated reports as of September 30, 2026

	Item	US Dollar	Swiss	Euro	Canadian Dollar	Other	Index	Unlinked	Non-monetary	Total
		NIS thousands								
Assets	Cash and cash equivalents	4,748	72,862	17,782	4,936	-	-	1,088,949	-	**1,189,277**
	Short-term investments	-	-	-	-	-	-	28,328	-	**28,328**
	Customers	-	287	962	160	876	-	56,952	-	**59,237**
	Debtors and debit balances	-	1,161	311	6	551	34,860	75,010	10,889	**122,788**
	Taxes receivable	194	-	11	-	-	7,562	-	-	**7,767**
	Deposits and long-term debit balances	-	-	-	-	35,123	70,787	1,095	-	**107,005**
	Investments in held companies	12,411	8,822	-	-	-	-	62,716	507,794	**591,740**
	Assets held for sale	-	-	-	-	-	-	-	48,162	**48,162**
	Advances on account of investment in real estate	-	-	-	-	-	-	-	86,255	**86,255**
	Inventory of land for residential construction and apartments under construction	-	-	-	-	-	-	-	650,867	**650,867**
	Investment property	-	-	-	-	-	-	-	17,097,960	**17,097,960**
	Investment property under construction	-	-	-	-	-	-	-	301,933	**301,933**
	Property, plant and equipment	-	-	-	-	-	-	-	204,766	**204,766**
	Intangible assets	-	-	-	-	-	-	-	58,241	**58,241**
	Deferred taxes	-	-	-	-	-	-	-	5,370	**5,370**
	Total assets	**17,353**	**74,310**	**27,877**	**5,113**	**36,550**	**113,209**	**1,313,046**	**18,972,236**	**20,559,695**
Liabilities	Liabilities to suppliers and service providers	-	(114)	(3,047)	(332)	(4,677)	-	(15,807)	-	**(23,977)**
	Creditors and credit balances	(21)	(1,120)	(202)	(68)	(9)	(16,420)	(124,752)	(40,783)	**(183,375)**
	Taxes payable	-	-	(1,042)	-	-	(76,181)	-	-	**(77,223)**
	Loans from banking corporations including current maturities	-	(174,487)	-	-	-	(219,294)	(401,016)	-	**(794,797)**
	Other liabilities	-	-	-	-	-	-	(14,395)	-	**(14,395)**
	BONDS	-	-	-	-	-	(8,250,716)	(80,245)	-	**(8,330,961)**
	Deposits from tenants	-	-	(22)	-	-	(54,250)	-	-	**(54,272)**
	Liabilities for employee benefits, net	-	-	-	-	-	-	-	(2,899)	**(2,899)**
	Deferred taxes	-	-	-	-	-	-	-	(2,106,221)	**(2,106,221)**
	Total liabilities	**(21)**	**(175,721)**	**(4,313)**	**(400)**	**(4,686)**	**(8,616,862)**	**(636,215)**	**(2,149,903)**	**(11,588,120)**

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דוחות כספיים | חברה

Chapter B

Financial Statements as of September 30, 2026

Financial data and financial information from the consolidated financial statements attributed to the company

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Mivne Real Estate (K.D) Ltd.

Consolidated Interim Financial Statements as of September 30, 2024

Unaudited

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- -

Kost Forer Gabbay & Kasierer
144 Menachem Begin Road,
Tel-Aviv 6492102
Tel. +972-3-6232525
Fax +972-3-5622555
ey.com

Review Report of the Independent Auditor to the Shareholders of Mivne Real Estate (K.D) Ltd.

Introduction

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We have reviewed the accompanying financial information of Mivne Real Estate (K.D) Ltd. and its subsidiaries (hereinafter - the Group), which includes the condensed consolidated statement of financial position as of September 30, 2026, and the condensed consolidated statements of profit or loss, comprehensive income, changes in equity, and cash flows for the nine and three-month periods then ended. The Board of Directors and Management are responsible for the preparation and presentation of financial information for these interim periods in accordance with International Accounting Standard IAS 34 - "Interim Financial Reporting", and they are also responsible for preparing financial information for these interim periods according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on the financial information for these interim periods based on our review.

We did not review the condensed interim financial information of consolidated companies whose assets included in the consolidation constitute approximately 9.6% of the total consolidated assets as of September 30, 2026, and whose income included in the consolidation constitutes approximately 12.26% and 11.91% of the total consolidated income for the nine and three-month periods then ended, respectively. Furthermore, we did not review the condensed interim financial information of companies presented on the equity basis, the investment in which amounted to approximately NIS 294 million as of September 30, 2026, and the Group's share in the profits of these companies amounted to approximately NIS 0.5 million and NIS 1.9 million for the nine and three-month periods then ended, respectively. The condensed interim financial information of those companies was reviewed by other accountants whose review reports were provided to us, and our conclusion, as it relates to the financial information for those companies, is based on the review reports of the other accountants.

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 Independent 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 accountants, 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 International Accounting Standard IAS 34.

In addition to the statement in the preceding paragraph, based on our review and the review reports of other accountants, 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 under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Kost Forer Gabbay & Kasierer

Accountants

Tel-Aviv,

November 15, 2026

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Mivne Real Estate (K.D) Ltd.

Consolidated Statements of Financial Position

	As of September 30		As of
	2026	2025	December 31
	Unaudited		2025
	NIS thousands		Audited
Current assets			
Cash and cash equivalents	1,189,277	577,495	1,279,073
Short-term investments	49	49	49
Cash in escort accounts, restricted and in trust	28,279	86,917	246,455
Trade receivables	59,237	30,575	49,575
Other receivables and debit balances	122,788	449,194	386,836
Taxes receivable	7,767	7,790	1,305
Inventory of land, apartments and buildings for sale and under construction	588,463	439,858	615,911
	1,995,860	1,591,878	2,579,204
Assets held for sale	48,162	114,748	22,508
	2,044,022	**1,706,626**	**2,601,712**
Non-current assets			
Advance on account of investment property	86,255	62,470	64,726
Restricted cash	35,123	28,967	28,656
Other receivables	71,882	36,147	37,361
Investments in companies accounted for using the equity method	591,740	621,351	587,747
Investment property	17,097,960	15,012,072	14,984,856
Investment property under development	301,933	1,765,560	1,947,348
Inventory of land for construction	62,404	265,550	72,620
Property, plant and equipment, net	204,766	200,536	201,475
Intangible assets, net	58,241	65,577	63,739
Deferred taxes	5,370	3,666	4,311
	18,515,674	**18,061,896**	**17,992,839**
	20,559,696	**19,768,522**	**20,594,551**

The accompanying notes are an integral part of the interim consolidated financial statements.

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Mivne Real Estate (K.D) Ltd. **Consolidated Statements of Financial Position**

	As of September 30		As of December 31 2025
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Current liabilities			
Credit from banking corporations and credit providers	-	349,318	307,990
Current maturities of BONDS	1,384,035	1,035,084	1,246,617
Current maturities of loans and other liabilities	415,930	227,407	301,071
Trade payables	23,977	19,328	30,185
Other payables and credit balances	180,330	163,213	184,071
Advances from buyers	3,045	3,767	2,479
Taxes payable	77,223	47,298	50,761
	2,084,540	**1,845,415**	**2,123,174**
Non-current liabilities			
Loans from banking corporations and financial institutions	378,867	663,927	577,198
BONDS	6,946,926	6,438,960	6,922,506
Other liabilities	14,395	14,403	14,492
Tenants' deposits	54,272	55,652	55,537
Employee benefit liabilities	2,899	2,504	2,899
Deferred taxes	2,106,221	2,022,995	2,043,889
	9,503,580	**9,198,441**	**9,616,521**
Equity attributable to the company's shareholders			
Share capital	1,420,455	1,420,193	1,420,202
Share premium	2,855,798	2,853,022	2,853,131
Reserve for share-based payment transactions	11,126	11,695	12,327
Retained earnings	4,696,693	4,482,326	4,625,559

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	As of September 30		As of December 31 2025
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Adjustments from translation of financial statements of foreign operations	187,082	157,710	146,065
Reserve from transactions with non-controlling interests	(280,081)	(280,081)	(280,081)
	8,891,073	**8,644,865**	**8,777,203**
Non-controlling interests	80,503	79,801	77,653
Total equity	**8,971,576**	**8,724,666**	**8,854,856**
	20,559,696	**19,768,522**	**20,594,551**

The accompanying notes are an integral part of the interim consolidated financial statements.

Itay Vaknin	Uzi Levy	Tal Furer	November 15, 2026
CFO	CEO	Chairman of the Board	Date of approval of the financial statements

Consolidated Statements of Profit or Loss

Mivne Real Estate (K.D) Ltd.

	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands (except for net profit per share data)					
Income					
Rental income and management fees - Israel	812,947	749,925	288,128	257,933	999,070
Rental income and management fees - International	46,956	53,300	14,931	14,797	69,563
Sale of residential apartments and land	103,600	286,142	48,112	55,739	356,609
Solar installations	39,469	35,162	15,536	13,566	45,058

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands (except for net profit per share data)					
Other income, net	2,152	1,502	212	435	1,908
Total income	**1,005,124**	**1,126,031**	**366,919**	**342,470**	**1,472,208**
Expenses					
Maintenance expenses - Israel	182,490	161,055	69,677	57,893	213,680
Maintenance expenses - International	17,167	23,977	3,746	6,387	29,017
Cost of apartments and land sold	67,550	204,155	32,680	36,756	259,758
Cost of maintaining solar installations	12,116	11,465	4,603	4,076	14,924
Total cost of sales and services	**279,323**	**400,652**	**110,706**	**105,112**	**517,379**
Gross profit	**725,801**	**725,379**	**256,213**	**237,358**	**954,829**
Gain from change in fair value of investment property and investment property under development, net	185,326	493,305	63,917	107,144	483,303
Selling and marketing expenses	(12,691)	(23,368)	(4,989)	(7,732)	(29,404)
General and administrative expenses	(71,900)	(81,351)	(25,473)	(25,996)	(107,451)
Impairment of inventory of land for construction and property, plant and equipment	(10,290)	(23,274)	(4,100)	(7,854)	(6,307)
Other expenses, net	(9,598)	(11,747)	(4,279)	(4,559)	(12,626)
Reclassification of capital reserve for translation adjustments of foreign operations	(73,663)	(23,762)	(73,663)	-	(23,762)
Share in profits (losses) of companies accounted for using the equity method, net	2,472	(12,280)	8,497	8,470	(34,727)
Operating profit	**735,457**	**1,042,902**	**216,123**	**306,831**	**1,223,855**
Finance expenses	(348,049)	(395,329)	(137,496)	(170,296)	(412,597)
Finance income	48,309	33,239	18,806	11,824	50,297
Profit before taxes on income	**435,717**	**680,812**	**97,433**	**148,359**	**861,555**
Taxes on income	(111,385)	(129,023)	(45,398)	(18,343)	(168,780)
Net profit	**324,332**	**551,789**	**52,035**	**130,016**	**692,775**
Attributable to:					

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands (except for net profit per share data)					
Company's shareholders	321,134	549,990	50,171	128,558	693,223
Non-controlling interests	3,198	1,799	1,864	1,458	(448)
	324,332	**551,789**	**52,035**	**130,016**	**692,775**
Earnings per share attributable to the company's shareholders (in NIS)					
Basic and diluted earnings	**0.45**	**0.75**	**0.07**	**0.18**	**0.95**

The accompanying notes are an integral part of the interim consolidated financial statements.

Mivne Real Estate (K.D) Ltd. **Consolidated Statements of Comprehensive Income**

	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited		Unaudited		Audited
	NIS thousands				
Net profit	324,332	551,789	52,035	130,016	692,775
Other comprehensive income (loss) (after tax effect):					
Items that will be or are reclassified to profit or loss when specific conditions are met:					
Adjustments from translation of financial statements of foreign operations	(32,472)	(3,851)	1,773	(5,725)	(15,397)
Reclassification of capital reserve to profit and loss due to disposal of foreign operations	73,663	23,762	73,663	-	23,762
Total comprehensive income	**365,523**	**571,700**	**127,471**	**124,291**	**701,140**

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited		Unaudited		Audited
	NIS thousands				
Attributable to:					
Company's shareholders	362,151	570,012	125,669	122,810	701,600
Non-controlling interests	3,372	1,688	1,802	1,481	(460)
	365,523	**571,700**	**127,471**	**124,291**	**701,140**

The accompanying notes are an integral part of the interim consolidated financial statements.

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	Attributable to the Company's shareholders									
	Share capital	**Share premium**	**Treasury shares**	**Retained earnings**	**Capital reserve for share-based payment transactions**	**Adjustments from translation of financial statements of foreign operations and other reserves**	**Reserve from transactions with non-controlling interests**	**Total**	**Non-controlling interests**	**Total equity**
Unaudited										
NIS thousands										
Balance as of January 1, 2026 (Audited)	1,420,202	2,853,131	-	4,625,559	12,327	146,065	(280,081)	**8,777,203**	77,653	**8,854,856**
Net profit	-	-	-	321,134	-	-	-	321,134	3,198	324,332
Other comprehensive income	-	-	-	-	-	41,017	-	41,017	174	41,191
Total comprehensive income	**-**	**-**	**-**	**321,134**	**-**	**41,017**	**-**	**362,151**	**3,372**	**365,523**
Exercise of employee warrants	253	2,667	-	-	(2,920)	-	-	-	-	-
Dividend paid to the Company's shareholders	-	-	-	(250,000)	-	-	-	(250,000)	-	(250,000)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(522)	(522)
Share-based payment	-	-	-	-	1,719	-	-	1,719	-	1,719
Balance as of September 30, 2026	**1,420,455**	**2,855,798**	**-**	**4,696,693**	**11,126**	**187,082**	**(280,081)**	**8,891,073**	**80,503**	**8,971,576**

The accompanying notes form an integral part of the interim consolidated financial statements.

	Attributable to the Company's shareholders									
	Share capital	Share premium	Treasury shares	Retained earnings	Capital reserve for share-based payment transactions	Adjustments from translation of financial statements of foreign activities and other reserves	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS thousands									
Balance as of January 1, 2025 (Audited)	1,435,470	3,032,393	(18,903)	4,002,336	26,873	137,688	(278,968)	8,336,889	60,695	8,397,584
Net profit	-	-	-	549,990	-	-	-	549,990	1,799	551,789
Other comprehensive income (loss)	-	-	-	-	-	20,022	-	20,022	(111)	19,911
Total comprehensive income	-	-	-	549,990	-	20,022	-	570,012	1,688	571,700
Cancellation of treasury shares	(20,092)	(192,890)	212,982	-	-	-	-	-	-	-
Increase in control of a subsidiary	-	-	-	-	-	-	-	-	19,511	19,511
Exercise of employee warrants	4,815	13,519	-	-	(18,334)	-	-	-	-	-
Purchase of treasury shares	-	-	(194,079)	-	-	-	-	(194,079)	-	(194,079)
Dividend paid to the Company's shareholders	-	-	-	(70,000)	-	-	-	(70,000)	-	(70,000)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(1,560)	(1,560)
Purchase of shares from non-controlling interests	-	-	-	-	-	-	(1,113)	(1,113)	(533)	(1,646)
Share-based payment	-	-	-	-	3,156	-	-	3,156	-	3,156
Balance as of September 30, 2025	**1,420,193**	**2,853,022**	**-**	**4,482,326**	**11,695**	**157,710**	**(280,081)**	**8,644,865**	**79,801**	**8,724,666**

The accompanying notes form an integral part of the interim consolidated financial statements.

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	Attributable to the Company's shareholders									
	Share capital	**Share premium**	**Treasury shares**	**Retained earnings**	**Capital reserve for share-based payment transactions**	**Adjustments from translation of financial statements of foreign operations and other reserves**	**Reserve from transactions with non-controlling interests**	**Total**	**Non-controlling interests**	**Total equity**
Unaudited										
NIS thousands										
Balance as of July 1, 2026	1,420,448	2,855,697	-	4,721,522	10,593	111,584	(280,081)	8,839,763	78,701	8,918,464
Net profit	-	-	-	50,171	-	-	-	50,171	1,864	52,035
Other comprehensive income (loss)	-	-	-	-	-	75,498	-	75,498	(62)	75,436
Total comprehensive income	-	-	-	50,171	-	75,498	-	125,669	1,802	127,471
Exercise of employee warrants	7	101	-	-	(108)	-	-	-	-	-
Dividend paid to the Company's shareholders	-	-	-	(75,000)	-	-	-	(75,000)	-	(75,000)
Share-based payment	-	-	-	-	641	-	-	641	-	641
Balance as of September 30, 2026	1,420,455	2,855,798	-	4,696,693	11,126	187,082	(280,081)	8,891,073	80,503	8,971,576

The accompanying notes form an integral part of the interim consolidated financial statements.

	Attributable to the Company's shareholders									
	Share capital	**Share premium**	**Treasury shares**	**Retained earnings**	**Capital reserve for share-based payment transactions**	**Adjustments from translation of financial statements of foreign operations and other reserves**	**Reserve from transactions with non-controlling interests**	**Total**	**Non-controlling interests**	**Total equity**
Unaudited										
NIS thousands										
Balance as of July 1, 2025	1,425,991	2,909,439	(62,321)	4,353,768	10,945	163,458	(280,081)	8,521,199	79,880	8,601,079
Net profit	-	-	-	128,558	-	-	-	128,558	1,458	130,016
Other comprehensive income (loss)	-	-	-	-	-	(5,748)	-	(5,748)	23	(5,725)
Total comprehensive income (loss)	-	-	-	128,558	-	(5,748)	-	122,810	1,481	124,291
Cancellation of treasury shares	(5,800)	(56,521)	62,321	-	-	-	-	-	-	-
Exercise of employee warrants	2	104	-	-	(106)	-	-	-	-	-
Share-based payment	-	-	-	-	856	-	-	856	-	856
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(1,560)	(1,560)
Balance as of September 30, 2025	**1,420,193**	**2,853,022**	**-**	**4,482,326**	**11,695**	**157,710**	**(280,081)**	**8,644,865**	**79,801**	**8,724,666**

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Mivne Real Estate (K.D) Ltd.

Consolidated Statements of Changes in Equity

	Attributable to the Company's shareholders									
	Share capital	Share premium on shares	Treasury shares	Retained earnings	Capital reserve for share-based payment transactions	Adjustments from translation of financial statements of foreign operations and other reserves	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
Audited										
NIS thousands										
Balance as of January 1, 2025	1,435,470	3,032,393	(18,903)	4,002,336	26,873	137,688	(278,968)	8,336,889	60,695	8,397,584
Net income (loss)	-	-	-	693,223	-	-	-	693,223	(448)	692,775
Other comprehensive income (loss)	-	-	-	-	-	8,377	-	8,377	(12)	8,365
Total comprehensive income (loss)	-	-	-	693,223	-	8,377	-	701,600	(460)	701,140
Cancellation of treasury shares	(20,092)	(192,890)	212,982	-	-	-	-	-	-	-
Dividend paid to the Company's shareholders	-	-	-	(70,000)	-	-	-	(70,000)	-	(70,000)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(1,560)	(1,560)
Purchase of treasury shares	-	-	(194,079)	-	-	-	-	(194,079)	-	(194,079)
Exercise of warrants to employees	4,824	13,628	-	-	(18,452)	-	-	-	-	-
Increase to control in a subsidiary	-	-	-	-	-	-	-	-	19,511	19,511
Purchase of shares from non-controlling interests	-	-	-	-	-	-	(1,113)	(1,113)	(533)	(1,646)
Share-based payment	-	-	-	-	3,906	-	-	3,906	-	3,906
Balance as of December 31, 2025	**1,420,202**	**2,853,131**	**-**	**4,625,559**	**12,327**	**146,065**	**(280,081)**	**8,777,203**	**77,653**	**8,854,856**

The accompanying notes are an integral part of the interim consolidated financial statements.

Mivne Real Estate K.D (Ltd.)

Consolidated Statements of Cash Flows

	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands					
Cash flows from operating activities					
Net income	324,332	551,789	52,035	130,016	692,775
Adjustments required to present cash flows from operating activities					
Adjustments to profit or loss items:					

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands					
Depreciation and amortization	18,334	17,524	5,856	5,943	23,691
Financing expenses, net	299,740	362,090	118,690	158,472	362,300
Increase in fair value of investment property and investment property under development, net	(185,326)	(493,305)	(63,917)	(107,144)	(483,303)
Company's share in earnings (losses) of companies accounted for using the equity method, net	(2,472)	12,280	(8,497)	(8,470)	34,727
Change in employee benefit liabilities, net	-	(357)	-	-	38
Income taxes	111,385	129,023	45,398	18,343	168,780
Loss from impairment of land for construction and inventory of buildings and apartments for sale	10,290	19,783	4,100	4,363	2,816
Realization of translation differences reserve to the statement of profit or loss	73,663	23,762	73,663	-	23,762
Capital loss (gain) and impairment of property, plant and equipment	(286)	8,175	(286)	5,351	8,175
Change in fair value of put options measured at fair value	-	(4,350)	-	-	(4,350)
Share-based payment	1,719	3,156	641	856	3,906
	327,047	**77,781**	**175,648**	**77,714**	**140,542**
Changes in asset and liability items:					
Decrease (increase) in accounts receivable	(9,662)	3,383	(6,208)	(658)	(15,621)
Decrease (increase) in other receivables and debit balances	227,690	(144,098)	5,869	9,590	(85,396)
Increase (decrease) in trade payables and service providers	(6,208)	(8,542)	(21,734)	2,122	(7,065)
Increase (decrease) in other payables, credit balances and contract liabilities	(29,127)	10,696	(42,964)	(6,591)	17,173
Increase (decrease) in released deposits	(1,265)	2,956	(1,538)	(641)	4,253
	181,428	**(135,605)**	**(66,575)**	**3,822**	**(86,656)**
Cash paid and received during the year for:					
Interest paid	(107,320)	(99,777)	(8,341)	(26,945)	(143,283)
Interest received	44,471	23,246	16,875	7,105	35,022
Taxes paid	(35,333)	(16,629)	(8,352)	(5,303)	(20,066)
Taxes received	10,211	10,745	502	3	11,259

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands					
Dividend received	4,609	4,095	-	4,000	9,941
	(83,362)	**(78,320)**	**684**	**(21,140)**	**(107,127)**
Net cash generated from operating activities before decrease in inventory of apartments and houses for sale under construction, land for sale and land inventory for construction	749,445	415,645	161,792	190,412	639,534
Decrease in inventory of apartments and houses for sale under construction, land for sale and land inventory for construction	14,369	167,725	16,127	26,794	200,178
Net cash generated from operating activities	**763,814**	**583,370**	**177,919**	**217,206**	**839,712**

The accompanying notes are an integral part of the interim consolidated financial statements.

	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Cash flows from investing activities					
Acquisitions, advances on account of investments and investments in investment property	(338,564)	(261,464)	(72,235)	(63,286)	(336,276)
Investments in investment property under development	(90,185)	(236,591)	(37,450)	(74,700)	(349,975)
Investment in property, plant and equipment	(16,812)	(15,991)	(4,663)	(3,244)	(21,282)
Proceeds from realization of investment in a formerly consolidated company	-	18,496	-	-	18,496
Investments in companies accounted for using the equity method	(2,650)	(21,488)	(103)	(21,488)	(29,688)
Short-term investments, net	218,176	(24,233)	39,247	(1,885)	(93,771)
Proceeds from realization of investment property and investment property held for sale	70,579	125,429	63,299	15,713	138,386

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Proceeds from sale of shares and repayment of owner's loan from a sold subsidiary	-	-	-	-	13,610
Long-term restricted cash	(10,007)	(13,474)	(7,439)	(4,814)	(14,419)
Change in cash upon obtaining control of a company consolidated for the first time (B)	-	(49,702)	-	-	(49,702)
Net cash used in investing activities	**(169,463)**	**(479,018)**	**(19,344)**	**(153,704)**	**(724,621)**
Cash flows from financing activities					
Buyback of shares	-	(194,079)	-	-	(194,079)
Dividend paid to the Company's shareholders	(250,000)	(70,000)	(75,000)	-	(70,000)
Issuance of BONDS	760,818	385,744	-	-	1,347,316
Repayment of BONDS	(803,409)	(456,567)	(603,372)	(259,609)	(675,713)
Short-term credit from banking corporations and others, net	(307,990)	235,599	(2,150)	(63,582)	192,194
Receipt of loans from banks and other long-term liabilities	49,408	-	14,510	-	100,000
Repayment of loans from banks and other long-term liabilities	(123,083)	(225,464)	(5,162)	(49,860)	(330,439)
Purchase of non-controlling interest in a subsidiary	-	(1,645)	-	-	(1,645)
Dividend paid to non-controlling interests	(522)	(1,560)	-	(1,560)	(1,560)
Net cash generated from (used in) financing activities	**(674,778)**	**(327,972)**	**(671,174)**	**(374,611)**	**366,074**
Increase (decrease) in cash and cash equivalents	(80,427)	(223,620)	(512,599)	(311,109)	481,165
Exchange rate differences on cash and cash equivalents balances	(9,369)	2,677	732	(2,496)	(530)
Cash and cash equivalents balance at the beginning of the period	1,279,073	798,438	1,701,144	891,100	798,438
Cash and cash equivalents balance at the end of the period	**1,189,277**	**577,495**	**1,189,277**	**577,495**	**1,279,073**

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	For the 9-month period ended September 30		For the 3-month period ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
A. Change in cash upon obtaining control of a company consolidated for the first time					
Assets and liabilities of the consolidated companies as of the date of sale:					
Working capital, excluding cash and cash equivalents	-	37	-	-	37
Investment in an associate	-	(135,000)	-	-	(135,000)
De-recognition of investment in a company accounted for using the equity method	-	82,445	-	-	82,445
Loan from a partner	-	2,537	-	-	2,537
Non-controlling interests	-	19,511	-	-	19,511
Loss from realization of investment	-	(22,275)	-	-	(22,275)
Payables in respect of investment in a subsidiary	-	3,043	-	-	3,043
	-	**(49,702)**	-	-	**(49,702)**

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Note 1: - General

A. These financial statements were prepared in a condensed format as of September 30, 2026, and for the nine and three-month periods ended on that date (hereinafter - interim consolidated financial statements). These statements should be read together with the Company's annual financial statements as of December 31, 2025, and the notes accompanying them (hereinafter - the annual consolidated financial statements).

B. As of September 30, 2026, the Company has a consolidated working capital deficit of approximately NIS 40.5 million, resulting from current maturities of long-term BONDS whose repayment date will occur within the coming year. It should be noted that the Company has a high cash balance, positive cash flow from operating activities, and unencumbered assets totaling approximately NIS 13.5 billion. In the assessment of the Company's management and the Board of Directors, this deficit does not indicate a liquidity problem and the Company is expected to meet its obligations in the foreseeable future.

C. **Consequences of the war between Russia and Ukraine**

In February 2022, a war began between Russia and Ukraine. As of the date of the interim consolidated financial statements, the war has led, and continues to lead, to significant casualties, damage to infrastructure and buildings, and disruption of economic activity in Ukraine.

The Company has an asset in Kyiv, Ukraine, whose fair value as of September 30, 2026, and September 30, 2025, stands at approximately $49 million (approximately NIS 150 and NIS 164 million, respectively). The Company's income from rent and management fees for this asset in the nine-month periods ended September 30, 2026, and 2025, totaled approximately NIS 21 and NIS 20 million, respectively. The Company's income from rent and management fees for this asset in the three-month periods ended September 30, 2026, and 2025, totaled approximately NIS 7 and NIS 4 million, respectively.

Following the war, trade restrictions were imposed on the withdrawal of foreign currency from Ukraine. Therefore, the balance of cash deposited in bank accounts in Ukraine in the amount of approximately NIS 35 million (approximately NIS 28 million as of December 31, 2025), after a provision in the period for credit losses of approximately NIS 2.5 million, is included as a non-current asset.

D. **International Financial Reporting Standard 18, 'Presentation and Disclosure in Financial Statements'**

Following the details in Note 4 to the annual consolidated financial statements regarding International Financial Reporting Standard 18, Presentation and Disclosure in Financial Statements (hereinafter: "the New Standard"), as of the date of approval of the financial statements, the Company is in the process of examining all the effects of the New Standard, including the effects of amendments to other standards included within it, on its financial statements and the disclosures included therein. Based on the results of the examination performed to date, the Company estimates that the expected material effects of the New Standard on the consolidated financial statements are as follows:

1. **Defined Main Business Activity**

The Company examined the provisions of the New Standard regarding defined main business activity and concluded that it meets the definition of a main business activity of investment in income-producing real estate. Accordingly, income and expenses regarding income-producing real estate, including profits or losses from changes in the fair value of said real estate, which would have been classified in another category but for this conclusion, will be classified as of the date of implementation of the New Standard in the operating category.

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Note 1: - General (continued)

2. Material effects on the classification in the statement of profit or loss and the subtotals included therein

- **Company's share in profits (losses) of associates and joint ventures** - Currently, the Company classifies its share in profits (losses) of associates and joint ventures accounted for under the equity method as part of the operating profit. After the implementation of the New Standard, the Company's share in profits (losses) of associates and joint ventures will be classified in the investing category.
- **Subtotals** - Currently, the Company presents in the statement of profit or loss a subtotal of gross profit (loss), operating profit (loss), profit (loss) before income taxes (tax benefit), and net profit (loss). After the implementation of the New Standard, the Company will continue to present the said subtotals with the addition of profit (loss) before financing and income taxes.

3. Effects on the classification in the statement of cash flows

Currently, the Company classifies cash flows from interest received and interest paid within operating activities in the statement of cash flows. After the implementation of the New Standard, cash flows from interest received will be classified within investing activities and cash flows from interest paid will be classified within financing activities.

As a result of the said classification changes, a significant change is expected in cash flows from operating activities, mainly due to the reclassification of cash flows from interest paid to financing activities and the reclassification of cash flows from interest received to investing activities.

4. MANAGEMENT-DEFINED PERFORMANCE MEASURES (MPMS)

In the Company's assessment, the following measures are expected to constitute management-defined performance measures in accordance with the provisions of the New Standard:

A. AFFO : A common measure in income-producing real estate companies, calculated as net profit neutralizing depreciation and amortizations, revaluations to fair value, profits and losses from the sale of assets, one-time items, deferred taxes, non-cash expenses, and does not include the results of the development activity.

B. NOI SP : A key parameter for valuations of income-producing real estate assets. A measure reflecting the profit from renting identical assets that were owned and operated by the Company both in the current period and in the comparison periods, neutralizing depreciation and amortizations.

5. Possible effects on additional matters related to the Company's business Financial Covenants

The Company examined the effect of implementing the New Standard on the financial covenants it is required to meet. According to the provisions of the financing agreements, the financial covenants will continue to be examined on the basis of the accounting standards provisions that were in effect at the time the credit was taken. Therefore, the implementation of the New Standard is not expected to have an effect in this context. Furthermore, the Company examined the effect of implementing the New Standard on compensation mechanisms for officers and employees based on accounting data or measures. In the Company's assessment, the implementation of the New Standard is not expected to materially affect said compensation mechanisms.

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Note 2: - Main Accounting Policies

A. Format of preparation of the interim consolidated financial statements

The interim consolidated financial statements are prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting", and in accordance with the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

B. Below is data on the exchange rates of main currencies in the countries where the Group operates and the Consumer Price Index

Rate of change during the period	CPI Israel (*)		US Dollar	Euro	Canadian Dollar	Swiss Franc
	In respect of	Published				
	%	%	%	%	%	%
30.9.2026						
(9 months)	1.64	2.12	(3.98)	(7.22)	(7.24)	(8.65)
30.9.2026						
(3 months)	0.48	0.95	2.85	2.38	3.22	(0.18)
30.9.2025						
(9 months)	2.64	2.95	(9.35)	2.22	(6.35)	2.85
30.9.2025						
(3 months)	0.48	1.36	(1.96)	(1.88)	(3.77)	(2.1)
31.12.2025	2.64	2.36	(12.53)	(1.34)	(8.2)	(0.16)
	Index (in points)		Representative Exchange Rate (in NIS)			
30.9.2026	159.2	159.9	3.063	3.475	2.159	3.673
30.9.2025	156.6	157.5	3.306	3.881	2.375	4.143
31.12.2025	156.6	156.6	3.19	3.746	2.328	4.021

(*) Index based on average 2000 = 100.

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Note 3: - Segment Information

A. General:

The Company reports on two reportable segments in accordance with the management approach in IFRS 8. The division into segments is done on the basis of the Company's areas of activity. Management monitors the results of the segments separately in order to allocate resources and evaluate the segment's performance, which in certain cases are measured differently from the amounts reported in the consolidated financial statements. Management has determined that the Operating Segments are based on the reports reviewed by senior management in making strategic decisions. Below is information regarding the Company's Operating Segments:

- Income-producing real estate - The Company is engaged, by itself and through companies held by it, in diverse real estate activities, primarily in Israel. The Company specializes in the development, acquisition, construction, leasing, and management of buildings intended for offices, high-tech, industry, logistics and commerce, data centers, and residential units. The Company operates primarily in Israel as well as in several countries abroad, including Switzerland.

- Residential development real estate - The Company operates by itself and through companies held by it, in the development of residential real estate in Israel, including locating, initiation, planning, development, acquisition, construction, marketing, and sale in the field of residential construction in Israel.

- Others - The Company has activities in additional fields such as renewable energy and the operation of gas stations through partnerships and more.

No aggregation of reportable operating segments was performed. No transactions were performed between the different segments.

Management examines the operating results of the business units separately for the purpose of making decisions regarding resource allocation and performance evaluation. Segment results are evaluated based on gross profit.

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Note 3: - Information on Segments (continued)

B. Operating Segments:

	For the 9 months ended September 30, 2026			
	Yielding real estate	**Residential development real estate**	**Others**	**Total**
	NIS thousands			
Revenues	859,903	103,600	41,621	**1,005,124**
Expenses	(199,657)	(67,550)	(12,116)	**(279,323)**
Gross profit	**660,246**	**36,050**	**29,505**	**725,801**
Appreciation of investment property, net	185,326	-	-	185,326
Impairment of land inventory for construction	-	(10,290)	-	(10,290)
Company's share in losses of companies accounted for using the equity method, net	2,472	-	-	2,472
General and administrative, selling and marketing and other expenses	-	(7,297)	-	(167,852)
Operating profit	**848,044**	**18,463**	**29,505**	**735,457**
Financing expenses, net				**(299,740)**
Profit before taxes on income				**435,717**
Taxes on income				**(111,385)**
Net profit for the period				**324,332**

Segment assets:

Investment property, investment property under construction, advances on account of investment property, trade receivables, fixed assets, intangible asset and assets held for sale	17,686,036	-	213,377	**17,899,413**
Inventory of land, apartments and houses for sale and under construction	-	714,541	-	714,541
Investment in associates	591,740	-	-	591,740
Total segment assets	**18,277,776**	**714,541**	**213,377**	**19,205,694**

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	For the 9 months ended September 30, 2025			
	Yielding real estate	**Residential development real estate**	**Others**	**Total**
	NIS thousands			
Revenues	803,225	286,142	36,664	**1,126,031**
Expenses	(185,032)	(204,155)	(11,465)	**(400,652)**
Gross profit	**618,193**	**81,987**	**25,199**	**725,379**
Appreciation of investment property, net	493,305	-	-	493,305
Impairment of land inventory for construction	-	(23,274)	-	(23,274)
Company's share in losses of companies accounted for using the equity method, net	(10,503)	-	(1,777)	(12,280)
General and administrative, selling and marketing and other expenses	-	(13,352)	-	(140,228)
Operating profit	**1,100,995**	**45,361**	**23,422**	**1,042,902**
Financing expenses, net				**(362,090)**
Profit before taxes on income				**680,812**
Taxes on income				**(129,023)**
Net profit for the period				**551,789**

Segment assets:

Investment property, investment property under construction, advances on account of investment property, trade receivables, fixed assets, intangible asset and assets held for sale	17,043,983	-	219,789	**17,263,772**
Inventory of land, apartments and houses for sale and under construction	-	1,079,318	-	1,079,318
Investment in associates	605,601	-	15,750	621,351
Total segment assets	**17,649,584**	**1,079,318**	**235,539**	**18,964,441**

Note 3: - Information on Segments (continued)

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	For the 3 months ended September 30, 2026			
	Yielding real estate	Residential development real estate	Others	Total
	NIS thousands			
Revenues	303,059	48,112	15,748	366,919
Expenses	(73,423)	(32,680)	(4,603)	(110,706)
Gross profit	**229,636**	**15,432**	**11,145**	**256,213**
Appreciation of investment property, net	63,917	-	-	63,917
Impairment of land inventory for construction	-	(4,100)	-	(4,100)
Company's share in profits of companies accounted for using the equity method, net	8,497	-	-	8,497
General and administrative, selling and marketing and other expenses	-	(2,603)	-	(108,404)
Operating profit	**302,050**	**8,729**	**11,145**	**216,123**
Financing expenses, net				(118,690)
Profit before taxes on income				97,433
Taxes on income				(45,398)
Net profit for the period				**52,035**

	For the 3 months ended September 30, 2025			
	Yielding real estate	Residential development real estate	Others	Total
	NIS thousands			
Revenues	272,730	55,739	14,001	342,470
Expenses	(64,280)	(36,756)	(4,076)	(105,112)
Gross profit	**208,450**	**18,983**	**9,925**	**237,358**
Appreciation of investment property, net	107,144	-	-	107,144
Impairment of land inventory for construction	-	(7,854)	-	(7,854)
Company's share in profits (losses) of companies accounted for using the equity method, net	8,988	-	(518)	8,470
General and administrative, selling and marketing and other expenses	-	(5,003)	-	(38,287)
Operating profit	**324,582**	**6,127**	**9,407**	**306,831**
Financing expenses, net				(158,472)
Profit before taxes on income				148,359
Taxes on income				(18,343)
Net profit for the period				**130,016**

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Note 3: - Information on Segments (continued)

	For the year ended December 31, 2025			
	Yielding real estate	Residential development real estate	Others	Total
	Audited			
	NIS thousands			
Revenues	1,068,633	356,609	46,966	1,472,208
Expenses	(242,697)	(259,758)	(14,924)	(517,379)
Gross profit	**825,936**	**96,851**	**32,042**	**954,829**
Appreciation of investment property, net	483,303	-	-	483,303
Impairment of land inventory for construction	-	(6,307)	-	(6,307)
Company's share in profits of companies accounted for using the equity method, net	(32,950)	-	(1,777)	(34,727)
General and administrative, selling and marketing and other expenses	-	(11,443)	-	(173,243)
Operating profit	**1,276,289**	**79,101**	**30,265**	**1,223,855**
Financing expenses, net				(362,300)
Profit before taxes on income				861,555
Taxes on income				(168,780)
Net profit for the year				**692,775**

Segment assets:

Investment property, investment property under construction, advances on account of investment property, trade receivables, fixed assets, intangible asset and assets held for sale	17,120,302	-	218,138	17,338,440
Inventory of land, apartments and houses for sale and under construction	-	1,011,772	-	1,011,772
Investment in associates	587,258	-	489	587,747
Total segment assets	**17,707,560**	**1,011,772**	**218,627**	**18,937,959**

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Note 4: - Summary of Durban data

Following is a summary of the financial data of Durban, whose shares are pledged to the holders of the Company's BONDS (Series 24'):

A. Consolidated Statements of Financial Position

	As of September 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Current assets			
Cash and cash equivalents	58,494	86,513	98,514
Restricted cash	376	-	51,919
Others	16,908	13,420	8,254
	75,778	**99,933**	**158,687**
Assets held for sale	-	90,000	-
	75,778	**189,933**	**158,687**
Non-current assets			
Investments in held companies accounted for using the equity method	143,607	141,263	142,085
Investment property	1,052,726	1,033,355	1,035,068
Others	1,560	1,621	1,605
	1,197,893	**1,176,239**	**1,178,758**
	1,273,671	**1,366,172**	**1,337,445**
Current liabilities			
Trade and other payables	7,194	10,980	6,947
Current maturities of long-term loans	-	151,828	110,034
Current maturities of loan from parent company	5,509	381	4,675
Taxes payable	-	1,197	1,846
Others	730	663	444
	13,433	**165,049**	**123,946**

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	As of September 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Non-current liabilities			
Tenants' deposits	2,426	-	3,805
Deferred taxes	178,366	180,940	175,372
	180,792	**180,940**	**179,177**
Total equity	**1,079,446**	**1,020,183**	**1,034,322**
	1,273,671	**1,366,172**	**1,337,445**

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Note 4: - Summary Data of Darban (Continued)

B. Consolidated Statements of Profit or Loss

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Income					
From rental, management and building maintenance in Israel	67,843	66,369	23,358	22,613	88,831
Total income	**67,843**	**66,369**	**23,358**	**22,613**	**88,831**
Costs					
Cost of building management and maintenance	9,174	9,150	3,458	3,596	11,689
Gross profit	**58,669**	**57,219**	**19,900**	**19,017**	**77,142**
Increase (decrease) in fair value of investment property, net	5,775	53,913	22	(85)	54,870
General, administrative, selling and marketing expenses	(8,878)	(7,508)	(2,869)	(2,421)	(11,329)
Group's share in profits of investee companies accounted for using the equity method	14	10,836	-	2,091	12,907
Items of other comprehensive income (loss) reclassified to profit or loss regarding investment in investee companies	1,558	(442)	2,438	65	-
Profit from ordinary operations	**57,110**	**114,901**	**19,491**	**18,667**	**133,590**
Financing income (expenses), net	12	(7,436)	1,375	(3,244)	(8,264)
Profit before taxes on income	**57,122**	**107,465**	**20,866**	**15,423**	**125,326**
Taxes on income	(12,129)	(15,687)	(1,436)	(2,789)	(19,457)
Net profit	**44,993**	**91,778**	**19,430**	**12,634**	**105,869**
Attributable to:					
Shareholders of the company	44,993	91,776	19,430	12,633	105,841
Non-controlling interests	-	2	-	1	28
	44,993	**91,778**	**19,430**	**12,634**	**105,869**

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Note 4: - Summary Data of Darban (Continued)

C. Consolidated Statements of Cash Flows

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31 2025
	2026	2025	2026	2025	Audited
	Unaudited				
	NIS thousands				
Net cash provided by operating activities	32,765	68,690	13,793	26,711	80,754
Net cash provided by investing activities	37,904	1,933	37,175	1,353	42,677
Net cash used in financing activities	(109,987)	(8,376)	(40,511)	(2,849)	(49,251)
Increase (decrease) in cash and cash equivalents	**(39,318)**	**62,247**	**10,457**	**25,215**	**74,180**
Translation differences on cash balances held in foreign currency	(702)	(572)	215	(453)	(504)
Balance of cash and cash equivalents at the beginning of the period	98,514	24,838	47,822	61,751	24,838
Balance of cash and cash equivalents at the end of the period	**58,494**	**86,513**	**58,494**	**86,513**	**98,514**

Note 5: - Material Events During and After the Reporting Period

A. On March 5, 2026, the General Meeting of the company's shareholders approved the adoption of a compensation policy for officers of the company for the years 2026 to 2028 (inclusive).

B. On March 19, 2026, the company received a demand for exhaustion of rights prior to filing an application for certification of a derivative action, on behalf of a shareholder in the company, in accordance with the provisions of Section 194(b) of the Companies Law, 5759-1999, demanding the exercise of the company's litigation rights against Mr. David Zvida, the company's former CEO, and against a private company owned by him, alleging that he allegedly privately and unlawfully exploited business opportunities of the company to purchase rights in a plot located in Tel Aviv-Yafo. The company's board of directors established a board committee to examine the claims specified in the demand letter and after the company's board of directors reviewed, studied and discussed the findings of the board committee and its recommendations, on June 3, 2026, the company rejected the demand letter according to Section 195(2) of the Companies Law, 5759-1999.

C. On March 24, 2026, the company's board of directors approved a dividend distribution in the amount of 100 million NIS. The dividend per share is 0.1381467 NIS. The dividend was paid on May 4, 2026. At that time, the company's board of directors decided on the adoption of a distribution policy for 2026 according to which the company intends to distribute (as a dividend or through self-purchase of the company's shares) up to 50% of the company's annual AFFO, considering that the net financial debt to CAP ratio in the company will not exceed approximately 50%. Any distribution will be subject to a specific decision by the company's board of directors after examining the distribution tests according to the provisions of the law.

Note 5: - Material Events During and After the Reporting Period (Continued)

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D. On March 26, 2026, City Tech - Herzliya 1995 Ltd. (hereinafter - City Tech), an investee company of the company, received the decision of the Government Appraiser regarding an objection filed by it, on assessments received from the Israel Land Authority in December 2024 (hereinafter - the Assessments) regarding plots 801 and 802 (hereinafter - the Plots), in which a reduction in the assessments was determined at a rate of approximately 44% (after weighting development costs, the reduction rate is approximately 35%). The total reduction amount is approximately 486 million NIS for the plots.

On April 28, 2026, the company received the decision of the Government Appraiser regarding the said objection on assessments regarding plots 601 and 602, in which a reduction in the assessments in the amount of approximately 900 thousand NIS was determined.

On May 14, 2026, City Tech received the decision of the Government Appraiser regarding the said objection on the assessments regarding plots 901-904, 800 and 400 (hereinafter - the Additional Plots), in which a reduction in the assessments was determined at a rate of approximately 20.9% (after weighting development costs, the reduction rate is approximately 14.1%). The total reduction amount is approximately 79.6 million NIS for the additional plots.

The company, together with its partners in City Tech, filed a second objection to the Objection Committee at the Ministry of Justice.

E. On March 30, 2026, the Compensation Committee and the company's board of directors approved the composition of annual bonuses and targets for officers for 2026 as follows: (a) AFFO target in the amount of 646 million NIS, where entitlement to a bonus for this component will be calculated linearly according to the extent of achievement starting from a threshold of 95% of the AFFO target; (b) NOI target in Israel (including in affiliated companies) in the amount of 910 million NIS, where entitlement to a bonus for this component will be calculated linearly, according to the extent of achievement starting from a threshold of 95% of the NOI target; (c) TSR target in the range between 0% and 6% will be calculated linearly, where a TSR target at a rate of 0% will not entitle the company's officers to a bonus under this target, while a TSR target at a rate of 6% will entitle the company's officers to the full bonus according to the weight of this target; (d) personal variable targets determined for each of the company's officers adapted to the areas of responsibility of each of the officers (business targets, operational efficiency targets, asset sales/leasing, transaction completion, meeting budget targets, advancing project planning and more); and (e) CEO evaluation (regarding officers subordinate to the CEO) or board of directors evaluation (regarding the company's CEO).

The annual bonus cap determined is as follows: regarding the CEO 12 salaries and regarding the other officers 8 salaries, where up to one salary out of the said caps will be paid only in case of over-performance relative to the TSR target mentioned in subsection (c) above (linearly) and up to one additional salary out of the said caps will be paid only in case of over-performance relative to one or more of the personal targets determined for the officers, as applicable, or over-performance relative to the company's targets mentioned in subsection (a) or (b) above (linearly).

The balance of the 2026 bonus of the company's officers will be divided as follows among the following targets: the weight of each target as mentioned in subsection (a)-(c) above will be 16.66%; the weight of the personal targets as mentioned in subsection (d) above will be 30% (and regarding the CEO only - 25%); and the weight of a discretionary bonus will be 20% (and regarding the CEO only - 25%).

F. On May 25, 2026, the company's board of directors approved a dividend distribution in the amount of 75 million NIS. The dividend per share is 0.1036096 NIS. The dividend was paid on June 29, 2026.

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G. On May 28, 2026, the company's General Meeting approved the decision of the Compensation Committee and the company's board of directors from March 30, 2026 to update the terms of tenure and employment of Mr. Uzi Levy, the company's CEO, so that starting April 1, 2026 (regarding March 2026 salary) his monthly salary will be 136,000 NIS, the component of the annual target-based bonus may consist of both company targets and personal targets and the long-term bonus will be canceled.

Note 5: - Material Events During and After the Reporting Period (Continued)

H. In June 2026, the company issued 389,889 non-tradable warrants for the purchase of 389,889 ordinary shares of 1 NIS par value each (hereinafter - the warrants), to officers and employees in the company. The vesting period of the warrants will be in stages over four years, such that: (1) at the end of one year from the actual allocation date - 1/4 of the warrants will vest; (2) at the end of each calendar quarter following the passage of one year from the actual allocation date - warrants will vest at a rate of 1/12 of the balance of the warrants, except regarding one, for whom all warrants allocated to him will vest at once at the end of four years from the allocation date, and regarding all and provided that at the vesting date he is still employed or providing services to the company or a subsidiary under its control. The expiration date of the warrants will be 4.5 years from their allocation date. The exercise price will not actually be paid to the company but will be taken into account when calculating the amount of shares to which each of the is actually entitled upon exercise of the warrants, so that the shares allocated to him will reflect the benefit component inherent in the warrants which will be exercised by him at that time as calculated on the exercise day according to the calculation detailed in the plan. Vested warrants will be exercisable at any time, starting from their vesting and until their expiration date as stated, all subject to the plan's terms. The economic value of each of the warrants is 4.36 NIS. The economic value as stated was calculated according to the Black & Scholes formula, based on the following assumptions: (1) the exercise price of each warrant is 14.72 NIS, reflecting the average closing prices of the company's share on the stock exchange in the 30 trading days preceding the board's decision date about the allocation, while the closing price of the company's share on the stock exchange on May 29, 2026 (the trading day preceding the board's decision date about the allocation) was 14.43 NIS; (2) the expected standard deviation for the company's share is 30.01% (based on an estimate by an external appraiser); (3) the expected risk-free interest rate (based on an estimate by an external appraiser) during the warrant's life is 3.44%.

I. On June 16, 2026, the company issued 769,043 thousand NIS par value (Series 27), for a total of approximately 761 million NIS (after deducting issuance costs). The BONDS (Series 27) bear annual interest at a rate of 2.73%, which will be paid twice a year, on March 31 and September 30, such that the first interest payment will be paid on September 30, 2026, and the last payment will be paid together with the final principal repayment on March 31, 2038. The effective annual interest inherent in the issuance is approximately 2.85%. The BONDS (Series 27) are linked (principal and interest) to the Consumer Price Index and are not secured by any collateral. The principal of the BONDS (Series 27) is due for repayment in six unequal payments, which will be paid on March 31 of each of the years 2032-2033 and 2035-2038. The first and second payments will be paid at a rate of 10% of the principal each, and the third to sixth payments will be paid at a rate of 20% of the principal each. The series' duration is approximately 8.35 years.

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According to the provisions of the trust deed of the BONDS (Series 27), the company committed to meeting financial covenants as follows: (a) the equity attributable to the company's shareholders will not be less than 3.5 billion NIS; (b) the debt-to-balance-sheet ratio (as defined in the trust deed) will not exceed 72% for two consecutive quarters; (c) the equity-to-balance-sheet ratio (as defined in the trust deed) will not be less than 22% for two consecutive quarters. In addition, the company committed not to perform a dividend distribution in any of the following cases, including a situation where one of the following cases occurs as a result of such distribution: (a) the equity attributable to the company's shareholders will be less than 3.9 billion NIS; (b) the debt-to-balance-sheet ratio will exceed 70%; (c) the company does not meet the financial commitments determined in the trust deeds of the BONDS the company issued; (d) a cause for immediate repayment of BONDS (Series 27) exists. As of September 30, 2026, and the date of publication of the reports, the company meets all the financial covenants above.

The BONDS (Series 27) were given an ilAA rating by STANDARD & POOR'S MAALOT and an Aa2.il rating by Midroog Ltd., both with a stable outlook.

J. In July 2026, the company completed the sale of an asset in Canada for 2 million Canadian dollars, approximately 4.3 million NIS. As a result of the sale, the company recognized a loss in the amount of approximately 3.2 million NIS. With the sale of the asset, the company ended its operations in Canada and therefore recorded a loss from the realization of capital funds totaling approximately 74 million NIS.

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Note 5: - Material Events During and After the Reporting Period (continued)

K. On July 30, 2026, the company announced the receipt of an assessment and financial specification from the Israel Land Authority (hereinafter - ILA) regarding the HaMeitav Project Phase B (hereinafter - the Project) for the purchase of rights in the project's land under the new plan (as defined in Section 2 below).

1. The company holds rights under a lease agreement regarding the project's land located in Tel Aviv-Yafo between Yigal Alon Street to the west, the Bitzaron neighborhood, Aminadav Street to the south, and HaMeitav Street to the east, which are part of Plot 64 Block 7069 (hereinafter - the project land).

2. In accordance with Plan 507-0892091 "TA/MK/4974-Alon Space" which was approved for validation (hereinafter - the New Plan), three new buildings can be established within the project including: a 47-story residential building that will include approximately 400 housing units and two 47-story employment buildings. An additional employment structure of the "Hamashbir Hamercazi" building will remain as a building for preservation.

3. The total area of the rights under the New Plan is 18,525 square meters, of which approximately 5,500 square meters are designated for public buildings, while utilizing the construction rights as follows:

   A. Residential construction rights - approximately 41.6 thousand square meters of residential area.

   B. Commercial and employment construction rights - approximately 125 thousand square meters of commercial and employment space (primary and service area).

   C. Underground construction rights amounting to approximately 66.5 thousand square meters.

4. Parallel to promoting an architectural design plan for the project, the company approached the ILA with a request to purchase the additional rights under the New Plan in the project land, and following this request, an assessment and financial specification were received on July 29, 2026. According to the financial calculation prepared by the ILA, the company is required to pay a total of approximately NIS 363.5 million plus VAT and additional valuation differences, if applicable, for the purchase of said rights.

5. In September 2026, the company filed an objection to the assessment with the Objections Committee.

L. On August 9, 2026, Mr. Itai Vaknin, the company's CFO, announced the conclusion of his tenure as an officer in the company effective December 31, 2026.

M. During the report period, 213,160 of the company's warrants expired and 800,217 of the company's warrants were exercised into 253,485 ordinary shares of NIS 1 par value each of the company. After the report date, 68,735 of the company's warrants were exercised into 15,862 ordinary shares of NIS 1 par value each of the company.

N. On August 17, 2026, the company's board of directors approved a dividend distribution in the amount of NIS 75 million. The dividend per share is NIS 0.1036088. The dividend was paid on September 16, 2026.

O. On September 23, 2026, the company appointed Mr. Amir Shahar to serve as the company's CFO starting January 1, 2027.

P. On November 15, 2026, the company's board of directors approved a dividend distribution in the amount of NIS 75 million. The dividend per share is NIS 0.1036071.

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Mivne Real Estate (K.D.) Ltd.

Presentation of Financial Data from the Consolidated Interim Financial Reports

Attributed to the Company

As of September 30, 2026

Unaudited

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Cost Forer Gabbay & Kasierer
144A Menachem Begin Way,
Tel Aviv 6492102

Tel. +972-3-6232525
Fax +972-3-5622555
ey.com

Special report for the review of separate interim financial information according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information presented according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 of Mivne Real Estate (K.D.) Ltd. (hereinafter - the Company), as of September 30, 2026, and for the periods of nine and three months ended on that date. The separate interim financial information is the responsibility of the Company's board of directors and management. Our responsibility is to express a conclusion on the separate interim financial information for this interim period based on our review.

We did not review the separate interim financial information from the financial statements of investee companies, whose assets minus liabilities attributed to them, net, amounted to a total of approximately NIS 1,641 million as of September 30, 2026, and whose profit from these investee companies amounted to a total of approximately NIS 72 million and NIS 29 million for the nine and three-month periods ended on that date, respectively. The financial statements of those companies were reviewed by other accountants whose reports were provided to us, and our conclusion, insofar as it relates to the financial statements for those companies, is based on the review reports of the other accountants.

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 Independent 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 accountants, nothing has come to our attention that causes us to believe that the above separate interim financial information is not prepared, in all material respects, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

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Special Report According to Regulation 38D

Financial Data and Financial Information from the Consolidated Interim Financial Reports

Attributed to the Company

Following are financial data and financial information attributed to the company from the consolidated interim financial reports of the company as of September 30, 2026, published within the framework of the periodic reports (hereinafter - consolidated reports), presented in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

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Mivne Real Estate (K.D) Ltd. **Financial data from the consolidated reports on the financial position attributed to the Company**

	As of September 30		As of
	2026	2025	December 31
	Unaudited		2025
	NIS thousands		Audited
Current Assets			
Cash and cash equivalents	939,957	316,454	1,015,187
Short-term investments	49	49	49
Cash in restricted accompaniment accounts and funds in trust	26,838	80,963	188,580
Trade receivables	48,639	26,225	43,518
Other receivables and debit balances	84,713	416,127	363,523
Current balances with held companies	45,059	64,415	59,787
Taxes receivable	287	-	-
Inventory of apartments for sale	462,334	298,680	477,023
	1,607,876	1,202,913	2,147,667
Assets held for sale	34,604	9,594	7,887
Total current assets	**1,642,480**	**1,212,507**	**2,155,554**
Non-current assets			
Advance on account of investment property	86,255	62,470	64,726
Loans to held companies	830,230	967,010	778,370
Investments in held companies	2,029,813	1,843,928	2,014,796
Other receivables	70,787	35,045	36,256
Land inventory for residential construction	62,404	265,550	72,620
Investment property	14,826,982	12,852,786	12,847,990
Investment property under construction	301,933	1,620,148	1,792,000
Fixed assets	99,156	84,906	88,107
Intangible asset	58,241	65,577	63,739
Total non-current assets	**18,365,801**	**17,797,420**	**17,758,604**
Total	**20,008,281**	**19,009,927**	**19,914,158**

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The attached additional information forms an integral part of the financial data and the separate financial information.

Mivne Real Estate (K.D) Ltd. **Financial data from the consolidated reports on the financial position attributed to the Company**

	As of September 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Current liabilities			
Credit from banking corporations and other credit providers	-	349,318	307,990
Current maturities of loans, other liabilities and BONDS	1,749,207	1,099,201	1,426,217
Trade and other payables	13,979	11,014	22,727
Other payables and credit balances	121,883	106,103	133,023
Current debit/credit balances with held companies	26,053	6,220	7,826
Taxes payable	76,181	36,940	44,848
Total current liabilities	**1,987,303**	**1,608,796**	**1,942,631**
Non-current liabilities			
Loans from banking corporations	136,245	175,947	100,000
Other non-current liabilities	6,739	175,344	173,555
Non-current loans from held companies	167,396	187,198	190,074
Deposits from tenants	51,626	50,416	51,669
BONDS	6,946,926	6,438,960	6,922,506
Liabilities for employee benefits, net	2,899	2,504	2,899
Deferred taxes	1,818,074	1,725,897	1,753,621
Total non-current liabilities	**9,129,905**	**8,756,266**	**9,194,324**
Equity attributed to the shareholders of the Company			
Share capital	1,420,455	1,420,193	1,420,202
Share premium	2,855,798	2,853,022	2,853,131

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	As of September 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Fund for share-based payment transactions	11,126	11,695	12,327
Retained earnings	4,696,693	4,482,326	4,625,559
Adjustments from translation of financial reports	187,082	157,710	146,065
Fund for transactions with non-controlling interests in an associate company	(280,081)	(280,081)	(280,081)
Total equity	**8,891,073**	**8,644,865**	**8,777,203**
	20,008,281	**19,009,927**	**19,914,158**

The attached additional information forms an integral part of the financial data and the separate financial information.

November 15, 2026	**Tal Fuhrer**	**Uzi Levy**	**Itay Vaknin**
Financial statement approval date	Chairman of the Board of Directors	CEO	CFO

	For the year ended December 31	For the 3 months ended September 30		For the 9 months ended September 30	
	2025	2025	2026	2025	2026
	Audited	Unaudited			
	NIS thousands				
Revenues					
From rent	708,407	179,221	258,545	531,931	728,192
From sale of apartments	297,617	36,384	28,860	234,252	68,587
From management of buildings, infrastructure and others	206,246	57,632	9,057	154,089	24,409
Total revenues	**1,212,270**	**273,237**	**296,462**	**920,272**	**821,188**
Maintenance and management costs	195,110	52,153	63,731	146,593	167,170
Cost of apartments sold	219,386	23,143	19,048	167,574	44,789

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	For the year ended December 31	For the 3 months ended September 30		For the 9 months ended September 30	
	2025	2025	2026	2025	2026
	Audited	Unaudited			
	NIS thousands				
Costs of management of buildings, infrastructure and others	4,250	1,300	1,174	3,658	2,846
Gross profit	**793,524**	**196,641**	**212,509**	**602,447**	**606,383**
Increase in fair value of investment property and investment property under construction, net	446,298	110,162	63,928	450,295	185,139
Company's share in profits of held companies	109,785	29,994	41,677	107,579	83,692
Selling and marketing expenses	(26,883)	(7,131)	(3,820)	(20,468)	(10,038)
General and administrative expenses	(94,669)	(24,061)	(23,482)	(71,439)	(65,101)
Impairment of land inventory for construction and fixed assets	(6,307)	(7,853)	(4,100)	(23,274)	(10,290)
Release of capital reserve for adjustments resulting from translation of financial statements of foreign operations	(23,762)	-	(73,663)	(23,762)	(73,663)
Other expenses, net	(7,070)	(3,697)	(1,731)	(8,474)	(5,975)
Profit from ordinary operations	**1,190,916**	**294,055**	**211,318**	**1,012,904**	**710,147**
Finance expenses	(376,908)	(158,347)	(137,430)	(368,540)	(339,751)
Finance income	39,961	10,363	15,475	26,156	42,039
Finance income (expenses), net for held companies	(18,923)	(4,275)	3,552	(15,160)	3,922
Profit before taxes on income	**835,046**	**141,796**	**92,916**	**655,360**	**416,357**
Taxes on income	141,823	13,238	42,745	105,370	95,223
Net profit	**693,223**	**128,558**	**50,171**	**549,990**	**321,134**

The attached additional information forms an integral part of the financial data and the separate financial information.

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	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				**Audited**
	NIS thousands				
Net profit attributed to the Company	321,134	549,990	50,171	128,558	693,223
Other comprehensive income (loss) attributed to the Company (after tax effect):					
Amounts that will be reclassified or are reclassified to profit or loss when specific conditions are met:					
Adjustments from translation of financial statements of foreign operations	(32,646)	(3,740)	1,836	(5,748)	(15,385)
Realization of capital reserve to profit and loss report due to realization of foreign operation	73,663	23,762	73,663	-	23,762
Total other comprehensive income (loss) attributed to the Company	41,017	20,022	75,499	(5,748)	8,377
Total comprehensive income attributed to the Company	362,151	570,012	125,670	122,810	701,600

The attached additional information forms an integral part of the financial data and the separate financial information.

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Mivne Real Estate (K.D) Ltd.

Financial data from the consolidated reports on cash flows attributable to the company

Cash flows from the company's operating activities	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Net profit attributable to the company	321,134	549,990	50,171	128,558	693,223
Adjustments required to present cash flows from the company's operating activities:					
Adjustments to the company's profit and loss items:					
Company's share in profits of investees, net	(83,692)	(107,579)	(41,677)	(29,994)	(109,785)
Income taxes	95,223	105,370	42,745	13,238	141,823
Impairment of land inventory for construction and fixed assets	10,290	23,274	4,100	7,854	6,307
Change in liabilities due to employee benefits, net	-	(357)	-	-	38
Increase in fair value of investment property and investment property under construction, net	(185,139)	(450,295)	(63,928)	(110,162)	(446,298)
Depreciation and amortization	11,258	10,451	3,526	3,569	14,108
Capital loss	-	4,685	-	1,861	4,685
Financing expenses, net	293,790	357,544	118,403	152,259	355,870
Change in fair value of put options measured at fair value	-	(1,280)	-	-	(1,280)
Share-based payment	1,719	3,156	641	856	3,906
Reclassification of capital reserve for adjustments from translation of foreign operations' financial statements	73,663	23,762	73,663	-	23,762
	217,112	(31,269)	137,473	39,481	(6,864)
Changes in the company's asset and liability items:					
Increase in trade receivables	(5,121)	(579)	(4,340)	(1,667)	(17,872)
Increase (decrease) in debtors and debit balances and long-term debtors	244,276	(132,665)	12,326	(12,121)	(44,721)
Increase (decrease) in liabilities to suppliers and service providers	(8,748)	(7,550)	(18,711)	2,835	(3,996)
Increase (decrease) in payables and credit balances	17,636	10,631	(17,291)	(3,579)	22,619
Increase (decrease) in deposits from tenants	(43)	2,940	(1,381)	461	4,193
	248,000	(127,223)	(29,397)	(14,071)	(39,777)
Cash paid and received during the period in the company for:					
Interest paid	(149,819)	(94,242)	(49,824)	(24,566)	(136,393)
Interest received	39,437	20,176	16,104	6,308	30,531

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Cash flows from the company's operating activities	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Taxes paid	(2,860)	(4,616)	(15)	(1,205)	(5,300)
Taxes received	3,135	3,600	-	-	3,600
	(110,107)	(75,082)	(33,735)	(19,463)	(107,562)
Net cash generated from operating activities before change in land inventory for residential construction	676,139	316,416	124,512	134,505	539,020
Decrease (increase) in land inventory for residential construction	1,610	137,572	4,007	13,553	169,191
Net cash generated from the company's operating activities	677,749	453,988	128,519	148,058	708,211

The attached additional information constitutes an integral part of the financial data and the separate financial information.

Mivne Real Estate (K.D) Ltd. **Financial data from the consolidated reports on cash flows attributable to the company**

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS thousands				
Cash flows from the company's investing activities					
Purchases, advances on account of investments and investments in investment property	(331,250)	(249,762)	(84,452)	(62,663)	(322,880)
Investment in investment property under construction	(90,185)	(212,596)	(37,450)	(69,676)	(316,019)
Investment in fixed assets	(16,809)	(15,088)	(4,661)	(2,917)	(20,107)
Short-term investments	161,742	(21,269)	(51)	(114)	(128,886)
Proceeds from realization of investment property	82,409	72,713	75,129	15,713	85,670
(Granting) repayment of loans to investees, net	(42,041)	(12,884)	23,147	(19,522)	(42,919)

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	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
NIS thousands					
Investment in investees	-	(51,165)	-	-	(44,165)
Dividend received from investees, net	40,338	4,623	-	4,440	10,381
Net cash used for the company's investing activities	**(195,796)**	**(485,428)**	**(28,338)**	**(134,739)**	**(778,925)**
Cash flows from the company's financing activities					
Short-term credit, net	(307,990)	235,599	(2,150)	(63,280)	192,194
Self-purchase of shares	-	(194,079)	-	-	(194,079)
Repayment of long-term loans from banking corporations	-	(46,563)	-	(43,786)	(106,658)
Receipt of loans and other long-term liabilities	48,765	-	13,985	-	100,000
Repayment of other long-term liabilities	(5,367)	(105,724)	(1,339)	-	(106,642)
Issuance of BONDS net of issuance expenses	760,818	385,745	-	-	1,347,316
Repayment of BONDS	(803,409)	(456,567)	(603,372)	(259,609)	(675,713)
Dividend paid	(250,000)	(70,000)	(75,000)	-	(70,000)
Net cash generated from (used for) the company's financing activities	**(557,183)**	**(251,589)**	**(667,876)**	**(366,675)**	**486,418**
Increase (decrease) in cash and cash equivalents	**(75,230)**	**(283,029)**	**(567,695)**	**(353,356)**	**415,704**
Balance of cash and cash equivalents at the beginning of the period	**1,015,187**	**599,483**	**1,507,652**	**669,810**	**599,483**
Balance of cash and cash equivalents at the end of the period	**939,957**	**316,454**	**939,957**	**316,454**	**1,015,187**

The attached additional information constitutes an integral part of the financial data and the separate financial information.

1. **General**

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This separate financial information is prepared in a condensed format as of September 30, 2026, and for the nine and three-month periods ended on that date, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970. This separate financial information should be read in conjunction with the separate financial information on the company's annual financial statements as of December 31, 2025, and for the year ended on that date, and the additional information accompanying them.

2. Consequences of the war between Russia and Ukraine

In February 2022, a war began between Russia and Ukraine. The war has led, and continues to lead, to significant casualties, damage to infrastructure and buildings, and disruption of economic activity in Ukraine.

An investee company of the company owns a property in Kyiv, Ukraine, the fair value of which as of September 30, 2026 and 2025, stands at approximately $49 million (approximately NIS 150 and NIS 164 million, respectively). The company's income from rent and management fees for this property in the nine-month periods ended September 30, 2026 and 2025, amounted to approximately NIS 21 and NIS 20 million, respectively. The company's income from rent and management fees for this property in the three-month periods ended September 30, 2026 and 2025, amounted to approximately NIS 7 and NIS 4 million, respectively.

3. Financial Position

As of September 30, 2026, the company has a working capital deficit of approximately NIS 345 million, resulting from current maturities of long-term BONDS whose repayment date will fall within the next year. It should be noted that the company has a high cash balance, positive flow from operating activities, and unencumbered assets.

In the assessment of the company's management and the Board of Directors, this deficit does not indicate a liquidity problem, and the company is expected to meet its obligations in the foreseeable future.

4. Main Accounting Policies

The accounting policies applied in the preparation of this separate financial information are consistent with those applied in the preparation of the separate financial information as of December 31, 2025.

5. Significant Events During and After the Reporting Period

For events during and after the reporting period, see Note 5 to the consolidated interim financial statements.

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Chapter C

Statements regarding the Effectiveness of Internal Control

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Third Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure under Regulation 38C(a) for the Third Quarter of 2026

Management, under the supervision of the Company's Board of Directors, is responsible for the determination and existence of adequate internal control over financial reporting and disclosure in the corporation.

In this regard, the members of management are:

1. Uzi Levy, CEO of the Company;
2. Itay Vaknin, CFO.

Internal control over financial reporting and disclosure includes controls and procedures existing in the corporation, designed by the General Manager and the most senior officer in the finance field or under their supervision, or by those performing the actual functions mentioned, under the supervision of the corporation's Board of Directors, intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of reports in accordance with legal provisions, and to ensure that information the corporation is required to disclose in reports it publishes under legal provisions is collected, processed, summarized, and reported at the time and in the format prescribed by law.

Internal control includes, among others, controls and procedures designed to ensure that information the corporation is required to disclose as stated, is accumulated and transferred to the corporation's management, including the General Manager and the most senior officer in the finance field or those performing the actual functions mentioned, in order to allow decision-making at the appropriate time, with reference to disclosure requirements.

Due to its structural limitations, internal control over financial reporting and disclosure is not intended to provide absolute assurance that a misstatement or omission of information in the reports will be prevented or discovered.

In the annual report regarding the effectiveness of internal control over financial reporting and disclosure which was attached to the Periodic report for the period ended December 31, 2025 (hereinafter: "the Last Annual Report on Internal Control"), the Board of Directors and management evaluated the internal control in the Company. Based on this evaluation, the Board of Directors and the Company's management reached the conclusion that the internal control as mentioned, as of September 30, 2026, is effective.

Until the date of the report, no event or matter has been brought to the attention of the Board of Directors and management that would change the evaluation of the effectiveness of the internal control, as found in the last quarterly report regarding internal control;

Managers' Statement

Statement of General Manager according to Regulation 38C(d)(1):

I, Uzi Levy, declare that:

(1) I have examined the quarterly report of Mivne Real Estate (K.D) Ltd. (hereinafter — the Corporation) for the third quarter of 2026 (hereinafter — the "Reports" or the "Interim Financial Statements");

(2)

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To my knowledge, the reports do not include any misrepresentation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances in which those representations were included, will not be misleading with reference to the period of the reports.

(3) To my knowledge, the financial statements and other financial information included in the reports fairly reflect, in all material respects, the financial position, results of operations, and cash flows of the corporation for the dates and periods to which the reports refer.

(4) I have disclosed to the corporation's auditing accountant, the Board of Directors, and the Audit and Financial Statements Committee of the corporation's Board of Directors, based on my most recent evaluation of the internal control over financial reporting and disclosure:

(a) All significant deficiencies and material weaknesses in the determination or operation of the internal control over financial reporting and disclosure that are reasonably likely to adversely affect the corporation's ability to collect, process, summarize, or report financial information in a manner that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with legal provisions; and also —

(b) Any fraud, whether material or not, involving the General Manager or those directly reporting to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure.

(5) I, alone or together with others in the corporation:

(a) Determined controls and procedures, or ensured their determination and existence under my supervision, of controls and procedures designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, is brought to my knowledge by others in the corporation and the consolidated companies, particularly during the preparation period of the reports; and also —

(b) Determined controls and procedures, or ensured their determination and existence under my supervision, of controls and procedures designed to provide reasonable assurance of the reliability of the financial reporting and the preparation of the financial statements in accordance with legal provisions, including in accordance with accepted accounting principles;

(c) No event or matter occurring during the period between the date of the last report (quarterly or periodic, as applicable) and the date of this report has been brought to my knowledge, which would change the conclusion of the Board of Directors and management regarding the effectiveness of the internal control over financial reporting and disclosure of the corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, under any law.

Date: 15.11.2026

Uzi Levy, CEO

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Managers' Statement

Statement of the most senior officer in the finance field according to Regulation 38(c)(2):

I, Itay Vaknin, declare that:

(1) I have examined the interim financial statements and the other financial information included in the reports for the interim period of Mivne Real Estate (K.D) Ltd. (hereinafter – the Corporation) for the third quarter of 2026 (hereinafter – the "Reports" or the "Interim Financial Statements");

(2) To my knowledge, the interim financial statements and the other financial information included in the interim reports do not include any misrepresentation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances in which those representations were included, will not be misleading with reference to the period of the reports.

(3) To my knowledge, the interim financial statements and the other financial information included in the interim reports fairly reflect, in all material respects, the financial position, results of operations, and cash flows of the corporation for the dates and periods to which the reports refer.

(4) I have disclosed to the corporation's auditing accountant, the Board of Directors, and the Audit and Financial Statements Committee of the corporation's Board of Directors, based on my most recent evaluation of the internal control over financial reporting and disclosure:

(a) All significant deficiencies and material weaknesses in the determination or operation of the internal control over financial reporting and disclosure as it relates to the interim financial statements and other financial information included in the interim reports, that are reasonably likely to adversely affect the corporation's ability to collect, process, summarize, or report financial information in a manner that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with legal provisions; and also —

(b) Any fraud, whether material or not, involving the General Manager or those directly reporting to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure.

I, alone or together with others in the corporation:

(1) (a) Determined controls and procedures, or ensured their determination and existence under my supervision, of controls and procedures designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, is brought to my knowledge by others in the corporation and the consolidated companies, particularly during the preparation period of the reports; and also —

(b) Determined controls and procedures, or ensured their determination and existence under my supervision of controls and procedures, designed to provide reasonable assurance of the reliability of the financial reporting and the preparation of the financial statements in accordance with legal provisions, including in accordance with accepted accounting principles;

(c)

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No event or matter occurring during the period between the date of the last report (quarterly or periodic, as applicable) and the date of this report, relating to the interim financial statements and any other financial information included in the interim reports, has been brought to my knowledge, which would change, in my evaluation, the conclusion of the Board of Directors and management regarding the effectiveness of the internal control over financial reporting and disclosure of the corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, under any law.

Date: 15.11.2026

Itay Vaknin, CFO

Tel. +972-3-6232525
Fax +972-3-5622555
ey.com

Kost Forer Gabbay & Kasierer
144A Menachem Begin Road,
Tel-Aviv 6492102

To

The Board of Directors of

Mivne Real Estate (K.D) Ltd. (the "Company")

7 Tozeret HaAretz Street,

Tel Aviv

Dear Sirs,

Re: Consent letter in connection with the shelf prospectus of Mivne Real Estate (K.D) Ltd.
from May 2025

We hereby inform you that we agree to the inclusion (including by way of reference) in the subject prospectus of our reports detailed below:

(1) Review report of the auditing accountant dated November 15, 2026, on condensed consolidated financial information of the Company as of September 30, 2026, and for the nine and three-month periods ended on that date.

(2) Special review report of the auditing accountant dated November 15, 2026, on condensed separate financial information of the Company as of September 30, 2026, and for the nine and three-month periods ended on that date in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv,

November 15, 2026

Sincerely,

Kost Forer Gabbay & Kasierer

Accountants

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