MANAGEMENT'S DISCUSSION AND ANALYSIS\

OVERALL PERFORMANCE

Senvest Capital ("Senvest" or the "Company") recorded net income attributable to common shareholders of $258.1 million or $105.06 per basic and diluted common share for the year December 31, 2024. This compares to net income attributable to common shareholders of $83.6 million or $33.78 per basic and diluted common share for the year ended December 31, 2023. For the current year, the US dollar strengthened against the Canadian dollar and the result was a currency translation gain of about $152.3 million. This amount is not reported in the Company's statement of income rather it's reflected in its statement of comprehensive income. As a result, the comprehensive income attributable to common shareholders was $408.8 million for the year.

The Company's income from equity investments was the biggest contributor to the results. The net change in fair value of equity investments and other holdings including securities sold short and derivative liabilities totaled $846.5 million in the period versus $307.7 million in 2023. Most of the Company's equity investments are held by two funds, Senvest Master Fund, L.P. (Senvest Partners Fund) and Senvest Technology Partners Master Fund, L.P., which are consolidated into the accounts of the Company. A more detailed discussion on net change in fair value of equity investments can be found in the year end investment letters for each of the two funds which are disclosed near the end of this letter.

On a consolidated basis across the different funds, the largest holdings as at December 31, 2024, were Tower Semiconductors (TSEM), Wix.com (WIX), Paramount Resources (POU), MDA Space (MDA), Kornit Digital (KRNT), UiPath (PATH), Bank of Cyprus Holdings (BOCHGR GA) and BXP (BXP).

The Senvest Master Fund is focused primarily on small and mid-cap companies. The fund recorded a return of 8.56% net of fees in the fourth quarter and is up 19.5% for the year. With most of the long portfolio invested in small and mid-cap stocks, the fund outperformed its most relevant benchmark, the Russell 2000 for the fourth quarter and for the year. The fund outperformed the S&P 500 index for the fourth quarter and underperformed it for the year but does not consider this index as a benchmark. The fund has issued an institutional share class which requires a minimum investment of $75 million US, and includes a longer duration element, which further enhances the stability of its capital base and its ability to make long-term investments to help generate returns for the benefit of all of our partners. Senvest's internal capital is subject to the same liquidity provisions of the institutional share class.

The Senvest Technology Partners Fund was initiated in 2003 to focus on investing in Israel related companies. In 2019, the Fund broadened its geographic investment mandate to focus on global technology investments. After investing in Israel-related technology for 15 years, its holdings extended across the global technology universe. The Technology Fund maintained the same investment philosophy and continued to leverage the existing diligence and understanding of global technology and end markets. This fund recorded a return of 15.37% net of fees for the fourth quarter and a return of 33.5% for the year (monthly results of the two funds can be found on the Company's website). As stated above both funds are consolidated into the accounts of the Company.

The Company has a portfolio of real estate investments as at December 31, 2024. One part of this amount represents investments in different US real estate income trusts (REITs) and partnerships. These REITs and partnerships are not publicly traded and there is no established market for them. The most likely scenario for a disposal of these holdings is an eventual sale of the underlying real estate properties of the REITs and partnerships and the distribution to its holders. Also, there are minority interests in private entities whose main assets are real estate properties. As described above for the REITs and partnerships, the most likely scenario for a disposal of these holdings is an eventual sale of the underlying real estate properties.

The Company also has investment properties in lands and buildings, specifically self-storage units in Madrid, Spain. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are remeasured at fair value, using the fair value model. The fair value is based on external valuations from third party valuators. Gains or losses arising from changes in fair value of investment properties are included in the Company's net income or loss. The Company has seven self-storage units in operation and another four units are at various degrees of construction.

The Company consolidates the Senvest Management LLC (SML) entity that serves as the investment manager of Senvest Partners and Senvest Technology Partners as well as the general partners of the funds. The portion of the expected residual returns of structured entities that do not belong to the Company is reflected as a non-controlling interest on the statement of financial position. This non-controlling interest is owned by an executive of the Corporation. This non-controlling interest was $22.6 million as at December 31, 2024, from $17.8 million as at December 31, 2023.

At the end of December 31, 2024, Senvest had total consolidated assets of $6,794.1 million versus $5,132.5 million at the end of 2023. Equity investments and other holdings totaled $6,057.3 million from $4,586.0 million in December 2023. The Company purchased $3,864.5 million of investment holdings in the year and sold $3,763.4 million of such holdings. The Company's liabilities increased to $4,751.6 million this year versus $3,493.8 million in 2023, which was primarily due to an increase in Due to brokers and Liability for redeemable units. The proceeds of securities sold short were $893.7 million and the amount of shorts covered was $1,099.5 million. Overall, the trading figures were less than the corresponding amounts for the prior year.

In the first quarter of 2025 the financial markets have experienced significant declines, along with tremendous volatility. The potential imposition of wide-ranging US tariffs on imports and retaliatory tariffs by trading partners have created a situation of great unease and uncertainty. Many of the indices were in correction territory and Senvest Master Fund L.P. and Senvest Technology Partners Master Fund L.P have both suffered double digit declines. Given the evolving situation and the high degree of uncertainty, it is difficult to predict how the effects would flow through the financial markets and the economy.

Functional currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Company is the US dollar.

Presentation currency

The Company has adopted the Canadian dollar as its presentation currency, which in the opinion of management is the most appropriate presentation currency. Historically, the Company's consolidated financial statements have been presented in Canadian dollars, and since the Company's shares are listed on a Canadian stock exchange, management believes it would better serve the use of shareholders to continue issuing consolidated financial statements in Canadian dollars. The US dollar consolidated financial statements described above are translated into the presentation currency as follows: assets and liabilities – at the closing rate at the date of the consolidated statement of financial position; and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income as currency translation differences. Equity items are translated using the historical rate.

Risks

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk, currency risk and equity price risk), credit risk and liquidity risk.

The Company's overall risk management program seeks to maximize the returns derived for the level of risk to which the Company is exposed and seeks to minimize potential adverse effects on the Company's financial performance. Managing these risks is carried out by management under policies approved by the Board of Directors.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

Market risk

Fair value and cash flow interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The majority of the Company's debt is based on floating rates which expose the Company to cash flow interest rate risk. The Company does not have a long-term stream of cash flows that it can match against this type of fixed debt, so it prefers to use short-term floating rate debt. The Company does not mitigate its exposure to interest rate fluctuation on floating rate debt. If interest rates spike, then the Company could enter into interest rate swaps or more probably just reduce its debt level. As at December 31, 2024, the Company has listed equity securities of $5,680 (2023 – $4,142.1). It can sell these securities to reduce its floating rate debt. As at December 31, 2024, a 1% increase or decrease in interest rates, with all other variables remaining constant, would impact interest expense by approximately $16.5 over the next 12 months (2023 – $8.8).

The Company held for trading financial assets in debt securities of $23.7 (2023 – $22.4).

Debt securities are usually highly sensitive to interest rate changes. Theoretically, when interest rates rise, it causes the value of debt securities to decline. The opposite generally happens when interest rates fall, then debt securities usually rise in value. A change of 100 basis points in the yield to maturity will affect the fair value of the debt securities held for trading.

	2024	**2023**
	Financial assets Held for trading Debt securities $	**Financial assets Held for trading Debt securities $**
An increase of 100 basis points in the yield to maturity	(700)	(3,721)
A decrease of 100 basis points in the yield to maturity	731	2,429

Currency risks

Currency risk refers to the risk that values of monetary financial assets and liabilities denominated in foreign currencies will vary as a result of changes in underlying foreign exchange rates.

The Company is exposed to currency risk due to potential variations in currencies other than the US dollar. The following tables summarize the Company's main monetary financial assets and financial liabilities whose fair value is predominantly determined in currencies other than the US dollar, the Company's functional currency, and the effect on pre-tax net income of a 10% change in currency exchange rates:

				2024 (in thousands of Canadian dollars)
	Financial assets $	**Financial liabilities $**	**Net exposure $**	**Net effect of a 10% increase or decrease $**
Canadian dollar	195,884	-	195,884	19,588
Euro	9,448	(40,257)	(30,809)	(3,081)
British Pound	-	(2,660)	(2,660)	(266)
Israeli shekel	311	-	311	31
	205,643	(42,917)	162,726	16,272

Equity price risk

Equity price risk is the risk that the fair value of equity investments and other holdings and equities sold short, and derivatives will vary as a result of changes in the market prices of the holdings. The majority of the Company's equity investments and other holdings and all of the securities sold short, and derivatives are based on quoted market prices as at the consolidated statement of financial position date. Changes in the market price of quoted securities and derivatives may be related to a change in the financial outlook of the investee entities or due to the market in general. Where non-monetary financial instruments − for example, equity securities − are traded in currencies other than the US dollar, the price, initially expressed in a foreign currency and then converted into US dollars, will also fluctuate because of changes in foreign exchange rates.

Securities sold short represent obligations of the Company to make future delivery of specific securities and create an obligation to purchase the security at market prices prevailing at the later delivery date. This creates the risk that the Company's ultimate obligation to satisfy the delivery requirements will exceed the amount of the proceeds initially received or the liability recorded in the consolidated financial statements. In addition, the Company has entered into derivative financial instruments, which have a notional value greater than their fair value, which is recorded in the consolidated financial statements. This creates a risk that the Company could settle these instruments at a value greater or less than the amount that they have been recorded in the consolidated financial statements.

The Company's equity investments and other holdings have a downside risk limited to their carrying value, while the risk of equities sold short, and derivatives is open ended. The Company is subject to commercial margin requirements which act as a barrier to the open-ended risks of the securities sold short and derivatives. The Company closely monitors both its equity investments and other holdings, and its equities sold short and derivatives.

The impact of a 30% change in the market prices of the Company's listed equity investments and other holdings and equities sold short and derivatives would be as follows:

			2024 (in thousands of Canadian dollars)
	Fair value $	**Estimated fair value with a 30% price increase $**	**Estimated fair value with a 30% price decrease $**
Equity investments and other holdings			
Listed equity securities and derivatives	5,662,818	7,361,663	3,963,973
Equities sold short and derivative liabilities	(404,849)	(526,304)	(283,394)
Pre-tax impact on net loss		1,577,390	(1,577,390)

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulties in meeting its financial obligations. The Company's largest assets are equity investments and other holdings. Most of these assets are made up of equities in listed companies which can be liquidated in a relatively short time. Due to its large holding of liquid assets, the Company believes that it has sufficient resources to meet its obligations as they come due. All financial liabilities other than equities sold short, derivative liabilities, mortgages, lease liabilities and liability for redeemable units as at the consolidated statement of financial position date mature or are expected to be repaid within one year (2023 – one year). The liquidity risk related to these liabilities is managed by maintaining a portfolio of liquid investment assets.

Credit risk

Credit risk is the risk that a counterparty will fail to fulfill its obligations under a contract and will cause the Company to suffer a loss.

The Company is exposed to credit risk from cash and cash equivalents, restricted short-term investments, due from broker and debt investments. Credit risk arising from funds held at financial institutions are managed by only investing with financial institutions with a minimum A rating. The Company manages its credit risk exposure from debt securities by closely monitoring the debt issuer and the ratings issued by various bond rating agencies. All debt security investments measured at fair value through profit or loss are traded over stock exchanges therefore exiting a position with increased risk is relatively easy if the credit worthiness of an issuer falls below the Company's threshold for credit risk exposure. All non-trading convertible debt securities are convertible into equity of the issuer and are measured at fair value using independent third-party appraisals. The Company closely monitors the debt issuer in order to identify when the credit risk falls below the Company's threshold at which point the Company may exercise its option to redeem its debt holdings or dispose of it in the less liquid private markets.

Capital risk management

The Company's objective when managing its capital is to maintain a solid capital structure appropriate for the nature of its business. The Company considers its capital to be its equity. The Company manages its capital structure in light of changes in economic conditions. To maintain or adjust its capital structure, the Company initiates normal course issuer bids or adjusts the amount of dividends paid. The Company monitors capital on the basis of its net debt -to-capital ratio. Net liabilities used in the net debt-to-capital ratio is calculated by subtracting the due from broker balances from total liabilities. The net debt-to-capital ratio is as follows:

		(in millions of Canadian dollars)
	December 31, 2024	December 31, 2023
Total net liabilities	$4,278.5	$3,147.5
Total equity	$2,042.5	$1,638.6
Net liabilities to capital ratio	2.09	1.92

The Company's objective is to maintain a debt-to-capital ratio below 3.0. The Company believes that limiting its debt-to-capital ratio in this manner is the best way to monitor risk. The Company's debt to capital ratio was at 2.09 as at December 31, 2024, from 1.92 at the end of 2023. The Company does not have any externally imposed restrictive covenants or capital requirements, other than those included in the credit facility.

Investment Risk

To the extent not discussed above, the Company is subject to additional risks with respect to the investments made.

The value of the Company's portfolio may decrease as well as increase, due to a variety of factors, including general economic conditions, and market factors. Additionally, investment decisions made by the Company may not always be profitable or prove to have been correct. Investment strategies, at any given time, may incur significant losses. Losses can occur for a number of reasons, including but not limited to, an overall decline in the underlying market, a lack of liquidity in the underlying markets, excessive volatility in a particular market, government intervention or monetary and/or fiscal policies of a specific region or country. The profitability of a significant portion of the Company's investments also depends to a great extent upon the Company's ability to correctly assess the future course of the price movements of securities and other investments. There can be no assurance that the Company will be able to accurately predict these price movements.

The Company's investment strategy is speculative and involves risk. The Company trades in options and other derivatives, as well as using short sales and utilizing leverage. The portfolio may not be diversified among a wide range of issuers or industries. In addition, the Company may take concentrated positions in its high conviction ideas, invest in high yield securities or invest in foreign markets outside the US and Canada. Accordingly, the investment portfolio may be subject to more rapid change in value than would be the case if the Company were required to maintain a wide diversification in the portfolios among industries, areas, types of securities and issuers.

The Company may make investments in the securities of high growth companies. More specifically, the Company may have significant investments in smaller-to-medium sized companies with market capitalizations of less than $2 billion US. While smaller companies may have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification, and competitive strengths of larger corporations. These factors make smaller companies far more likely than their larger counterparts to experience significant operating and financial setbacks that threaten their short-term and long-term viability. In addition, in many instances, the frequency and volume of their trading is substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations and exiting investments in such securities at appropriate prices may be difficult, or subject to substantial delay. Furthermore, some of the portfolio may be invested in technology, technology-related markets and biotech. These types of companies may allocate greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of the research and development programs. Also, these companies could be adversely affected by lack of commercial acceptance of a new product or products or by technological change and obsolescence. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses.

The Company tries to manage the above risks by monitoring its leverage, actively following its investee companies and trying to react to market conditions. At the same time the Company expects its portfolio to exhibit a higher degree of volatility than portfolios that invest in larger more stable companies and that invest within more defined limits. As at December 31, 2024, approximately 93% of the Company's portfolio was invested in Level 1 securities. The Company monitors its Level 1 securities as a percentage of its total investments; however, it does not have a fixed number that this percentage cannot fall below.

Climate Change Risk

Climate change risk refers to the physical risks and transition-related risks related to the changes in climate patterns that may have a significant impact on communities and the economy. While the direct exposure of the Corporation's operations to climate change risk is relatively low, as an investor in equities and other assets, the Corporation could indirectly be impacted by this risk through its portfolio investments.

The Corporation's portfolio investments face the potential direct impact of more frequent and more intense extreme weather events, as well as the potential indirect impact of any related supply chain disruptions. The exposure of the Corporation's portfolio investments to climate change risk also arises from the movement toward a low-emission economy, which may result in increased reputational, market, regulatory, policy, legal and technology-related risks. Existing portfolio investments in carbon-intensive industries and in other markets which are dependent on such industries may be more exposed to such transitional risks as a result of significant changes in customer perceptions and preferences, the increasing cost of carbon emissions and competition from renewable energy.

Critical accounting estimates and judgments

Critical accounting estimates

The Company makes accounting estimates that are subject to measurement uncertainty because they require the use of judgement and assumptions. The Company uses judgement and assumptions in designing and selecting measurement or valuations techniques that are appropriate to the circumstances and applies inputs that correlate to the measurement or valuation technique selected. Inputs selected also require the use of judgment and assumptions.

Consolidation of entities in which the Company holds less than 50% of the voting rights.

Management considers the Company to have de facto control of Senvest Management L.L.C. (RIMA), RIMA Senvest Master Fund GP, L.L.C., and Senvest Technology Partners GP, L.L.C. three legal entities wholly owned by an executive of the Company, because of the Company's Board representation and the contractual terms of the investment advisory agreement. RIMA is the investment adviser to the Funds, whereas RIMA Senvest Master Fund GP, L.L.C. is the General Partner of Senvest Master fund LP and Senvest Technology Partners GP LLC is the General Partner of Senvest Technology Partners Master Fund LP. As compensation for its sub-advisory services, the Company is entitled to receive 60% of the net management fees through RIMA and incentive allocation earned through the General Partners each fiscal year.

Management considers that the Company has control of Senvest Master Fund LP, Senvest Technology Partners Master Fund LP and Senvest Cyprus Recovery Investment Partners LP even though the Company has less than 50% of the voting rights in each of the Funds. The Company assessed that the removal rights of non-affiliated unitholders are exercisable but not strong enough given the Company's decision-making authority over relevant activities, the remuneration to which it is entitled and its exposure to returns. The Company, through its structured entities, is the majority unitholder of each of the Funds and acts as a principal while there are no other unitholders forming a group to exercise their votes collectively.

Fair value estimates of investment properties

The Company has adopted the fair value model in measuring its investment properties. The fair value of the investment properties is performed by external independent knowledgeable valuators located in the area of the properties. Inputs used in the property valuation models are based on appropriate assumptions that reflect the type of property and location. Management reviews the assumptions made and models used to ensure they correlate with their expectation and understanding of the market. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Fair value estimates of financial instruments

The fair value of financial instruments, including real estate investments, where no active market exists or where listed prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or by using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. To the extent practical, models use only observable data; however, areas such as credit risk (both the Company's own credit risk and counterparty credit risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Financial instruments in Level 1

The fair value of financial assets and financial liabilities traded in active markets are based on quoted market prices at the close of trading on the year-end date. The quoted market price used for financial assets and financial liabilities held by the Company is the close price. Investments classified in Level 1 include active listed equities and derivatives traded on an exchange. The financial assets classified as Level 1 were approximately 93% of the total financial assets.

Financial instruments in Level 2

Financial instruments classified with Level 2 trade in markets that are not considered to be active but are valued based on quoted market prices, broker quotations or valuation techniques, such as financial models, that use market data. These valuation techniques maximize the use of observable market data where available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. These include corporate bonds, thinly traded listed equities and derivatives, over-the-counter derivatives and private equities.

The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analyses, option pricing models and other valuation techniques commonly used by market participants, making maximum use of market inputs and relying as little as possible on entity-specific inputs. The financial assets classified as Level 2 were approximately 2% of the total financial assets.

Financial instruments in Level 3

Investments classified in Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments consist of unlisted equity investments, debt securities and real estate investments. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value. The financial assets classified as Level 3 were approximately 5% of the total fair value of financial assets.

Level 3 valuations are reviewed by the Company's Chief Financial Officer (CFO), who reports directly to the Board on a quarterly basis in line with the Company's reporting dates. The Board considers the appropriateness of the valuation models and inputs used. On an annual basis, close to the year-end date, the Company obtains independent, third party appraisals to determine the fair value of the Company's most significant Level 3 holdings.

The Company's CFO reviews the results of the independent valuations. Emphasis is placed on the valuation model used to determine its appropriateness, the assumptions made to determine whether it is consistent with the nature of the investment, and market conditions and inputs such as cash flow and discount rates to determine reasonableness.

As at December 31, 2024, Level 3 instruments are in various entities and industries.

Real estate investments are made up of investments in private real estate companies, and in real estate income trusts and partnerships. The real estate companies are involved with various types of buildings in different geographical locations. For the main Level 3 instruments, the Company relied on appraisals carried out by independent third party valuators. There was no established market for any of these investments, so the most likely scenario is a disposal of the underlying assets. For the investments in real estate income trusts and partnerships, the Company relied mainly on audited financial statements, valuing the assets at fair value. The most likely scenario is an eventual sale of the underlying properties and the subsequent distribution to the holders.

Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the consolidated provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.

QUARTERLY RESULTS

(In thousands of Canadian dollars except for earnings (loss) per share information)

Year	Total revenue and investment gains (losses)	Net income (loss)- common shareholders	Earnings (loss) per share
2024-4	433,827	107,070	43.67
2024-3	500,463	170,457	69.24
2024-2	(133,821)	(71,690)	(29.02)
2024-1	164,440	52,310	21.17
2023-4	281,084	85,665	34.61
2023-3	(147,432)	(67,029)	(27.07)
2023-2	120,082	21,222	8.58
2023-1	178,571	43,750	17.66

SELECTED ANNUAL INFORMATION

(In thousands of Canadian dollars except for earnings per share information)

	2024	2023	2022
Total revenue and investment gains (losses)	964,909	432,303	(730,345)
Net income (loss) – common shareholders	258,147	83,608	(326,083)
Earnings (loss) per share-diluted	105.06	33.78	(130.98)
Total assets	6,794,086	5,132,462	5,653,153

The Company has equity investment capital commitments of $11,683 and has real estate equity investment capital commitments of $8,964.

Liability for redeemable units

Liability for redeemable units represents the units in Senvest Master Fund, L.P., Senvest Technology Partners Master Fund, L.P. and Senvest Cyprus Recovery Investment Partners, L.P. Fund (collectively the Funds or individually a

Fund) that are not owned by the Company. Senvest Master Fund, L.P. and Senvest Technology Partners Master Fund, L.P. units may be redeemed as of the end of any calendar quarter, however for a particular class (the institutional class) there is a maximum quarterly redemption of 17% of the investor units and a maximum annual redemption of 34% of the investor units. The parent company, Senvest Capital, who is an investor in these funds has agreed to be bound by the terms of the institutional class. Redemptions made within the first 24 months will be subject to a redemption fee of 3% to 5% which is payable to Senvest Master Fund, L.P. and Senvest Technology Partners Master Fund, L.P. In addition, there are notice periods of 60 days that must be given prior to any redemption. Senvest Cyprus Recovery Investment Partners, L.P. Fund has units that can be redeemed semi-annually with an 120 day notice. These units are recognized initially at fair value, net of any transaction costs incurred, and subsequently units are measured at the redemption amount.

Redeemable units are issued and redeemed at the holder's option at prices based on each Fund's net asset value per unit at the time of subscription or redemption. Each Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units by the total number of outstanding redeemable units for each respective class. In accordance with the provisions of the Funds' offering documents, investment positions are valued at the close price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

The Company has had wide swings in profitability from quarter to quarter in the past two years, as seen above. The profit has fluctuated a significant amount quarter to quarter. These wide swings are primarily due to the large quarterly mark to market adjustments in the Company's portfolio of public holdings. However, we expect the volatility and choppiness of the markets to result in wide profit swings from year to year and from quarter to quarter. Reference is made to the section on Investment risk above.

The Company maintains accounts with several major financial institutions in the U.S. who function as the Company's main prime brokers. The Company has assets with the prime brokers pledged as collateral for leverage. Although the prime brokers are large financial institutions, there is no guarantee that any financial institution will not become insolvent. In addition, there may be practical or time problems associated with enforcing the Company's rights to its assets in the case of such insolvency.

While both the U.S. Bankruptcy Code and the Securities Investor Protection Act seek to protect customer property in the event of a failure, insolvency or liquidation of a broker dealer, there is no certainty that, in the event of a failure of a broker dealer that has custody of the Company's assets, the Company would not incur losses due to its assets being unavailable for a period of time, ultimately less than full recovery of its assets, or both. As a significant majority of the Company's assets are in custody with three prime brokers, such losses could be significant.

On August 22, 2024, Senvest commenced a new normal course issuer bid to purchase a maximum of 100,000 of its own common shares until August 21, 2025. There have been 29,500 shares repurchased in the year. The number of common shares outstanding as at December 31, 2024 was 2,442,624 and as at March 26, 2025 was 2,436,524. There were no stock options outstanding as at December 31, 2024 and none have been issued since 2005.

The Company has financing with a bank, composed of a credit facility and a guarantee facility. A first ranking movable hypothec in the amount of $30 million on all of its assets has been granted as collateral for both of the facilities. According to the terms of the facilities, the Company is required to comply with certain financial covenants. During the year, the Company met the requirements of all the covenants. The Company also has margin facilities with brokers.

Related party transactions

The Company consolidates the Senvest Management LLC entity that serves as the investment manager of Senvest Partners and Senvest Technology Partners as well as the general partners of the funds. The portion of the expected residual returns of structured entities that do not belong to the Company is reflected as a non-controlling interest on the consolidated statement of financial position. This non-controlling interest is owned by an executive of the Company and was $22.6 million as at December 31, 2024 from $17.8 million on December 31, 2023.

Significant Equity Investments

For information on a summary of financial information from certain significant investees please refer to the 2024 audited consolidated financial statements. The accounts of Senvest Partners, Senvest Technology Partners and Senvest Cyprus Recovery Investment Fund are consolidated with the Company's accounts.

Securities and Exchange Commission (SEC)

As discussed in the Wall Street Journal on April 3, 2024 "The U.S. securities regulator over the past few years has ramped up its enforcement against Wall Street firms' use of forbidden messaging apps to do business. Regulators say the use of apps such as WhatsApp and iMessage to talk business undermines their ability to get the records they need for oversight.

The SEC since December 2021 has filed charges against 60 firms and imposed more than $1.7 billion in fines for failing to maintain and preserve electronic communication. The enforcement initiative has expanded in recent months to include investment advisers and credit-rating firms. The SEC considers the size of the firm to ensure that the penalties serve as an adequate deterrent against future violations and that it uses previous settlement orders as a guide. The regulator also weighs the scope of the violations, such as the number of individuals that communicated using forbidden messaging apps, as well as a firm's compliance efforts to prevent off-channel communications, including the timely adoption of technological solutions."

On the same date April 3, 2024 it was announced that Senvest Management LLC had entered into a settlement with the SEC regarding certain recordkeeping and other violations under the Investment Advisers Act. Specifically, the SEC's findings include that certain employees communicated about business on unapproved electronic communication platforms and that certain employees did not properly obtain pre-clearance for specific securities transactions in their personal accounts. This settlement is substantially similar to several other recordkeeping settlements previously announced by the SEC, and many others expected to be announced. Notably, there were no findings related to the investment or research process.

The settlement includes a monetary payment of $6.5 million (US) and the retainer of a compliance consultant. All costs will be borne internally and not charged to the funds nor any external investors.

The investment manager has taken a number of remedial actions to address the SEC's findings, even before the settlement was finalized. For example, employees are now required to use firm-issued cell phones that automatically archive communications across all available messaging platforms. The manager has also imposed additional limitations on personal trading permitted by employees.

FORWARD LOOKING STATEMENTS

This MD&A contains "forward looking statements" which reflect the current expectations of management regarding our future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "aim", "endeavour", "likely", "think" and similar expressions have been used to identify these forward looking statements. These statements reflect our current beliefs with respect to future events and are based on information currently available to us. Forward looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements including, without limitation, those Risk Factors listed in the Company's annual information form. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward looking statements contained in this MD&A. These forward looking statements are made as of March 28, 2025 and will not be updated or revised except as required by applicable securities law.

OTHER FINANCIAL INFORMATION

There is additional financial information about the Company on Sedar+ at http://www.sedarplus.ca/ the Company's website at www.senvest.com, as well the Company's or Senvest Management's U.S. SEC section 13 and other filings on www.sec.gov

INTERNAL CONTROLS

Disclosure controls and procedures

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified under those laws, and include controls and procedures that are designed to ensure that the information is accumulated and communicated to management, including Senvest's President and CEO and Vice-President and CFO, to allow timely decisions regarding required disclosure. As at December 31, 2024, management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our disclosure controls and procedures, under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings. Based on that evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as at December 31, 2024.

Internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting under National Instrument 52-109. Our internal control over financial reporting is a process designed under the supervision of the CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis. Management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our internal control over financial reporting as at December 31, 2024, based on the criteria established in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on that evaluation, the CEO and CFO concluded that our internal control over financial reporting was effective as at December 31, 2024. There have been no changes during the year ended December 31, 2024 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial report.

(Signed)

Victor Mashaal
Chairman of the Board and President

March 28, 2025

(Management Discussion and Analysis ("MD&A") provides a review of Senvest Capital Inc.'s operations, performance and financial condition for the year ended December 31, 2024, and should be read in conjunction with the 2024 annual filings. Readers are also requested to visit the SEDAR+ website at* www.sedarplus.ca *for additional information. This MD&A also contains certain forward-looking statements with respect to the Corporation. These forward-looking statements, by their nature necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements. We consider the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control may ultimately prove to be incorrect

Senvest Master Fund, LP ("Senvest Partners")
Review of Q4 2024 & 2025 Outlook: February 5, 2025

	Q4 2024[1]	2024	Cumulative Since Inception	Annualized Since Inception
Senvest Master Fund, LP	**8.56%**	**19.51%**	**7305.65%**	**16.78%**
Russell 2000	0.33%	11.53%	848.05%	8.44%
S&P 500	2.39%	25.00%	1220.13%	9.74%
HFRI	1.44%	11.97%	697.79%	7.77%

Dear Partners:

Review of Q4 2024

Following the heels of a strong Q3 performance catalyzed by the first Fed rate cut in years, the return of Donald Trump to the Presidency further energized the Fund in the fourth quarter in a manner similar to what we saw in his first term. The Fund significantly outperformed broader equity indices in the fourth quarter to close out the year with solid performance. In Q4 2024, on a gross basis before fees and expenses, long investments contributed +11.06%, while short positions lost -1.32%. Currencies and interest expense cost -0.10%.

The following page shows the Fund's sector attribution along with the average gross, net, long, and short exposure for the last quarter.

[1] Net performance

Sector Attribution[2] and Average Exposures for Q4 2024

	Attribution Q4				Average Exposure Q4			
Sector	**Long**	**Short**	**Total Gross**	**Total Net**	**Long**	**Short**	**Gross**	**Net**
Communication Services	0.40%	-0.09%	0.31%	0.29%	9%	0%	9%	9%
Consumer Discretionary	2.19%	-1.00%	1.19%	1.11%	15%	-4%	19%	11%
Consumer Staples	-0.43%	-0.13%	-0.56%	-0.60%	3%	-1%	4%	2%
Energy	1.52%	0.00%	1.52%	1.42%	11%	0%	11%	11%
Financials	0.68%	-0.60%	0.08%	0.07%	23%	-1%	24%	22%
Health Care	-1.39%	-0.01%	-1.40%	-1.50%	13%	0%	13%	13%
Industrials	4.16%	0.54%	4.70%	4.38%	18%	-4%	22%	14%
Information Technology	4.93%	-0.04%	4.89%	4.56%	47%	0%	47%	47%
Materials	-0.47%	0.00%	-0.47%	-0.50%	1%	0%	1%	1%
Real Estate	-0.52%	0.01%	-0.51%	-0.55%	9%	0%	9%	9%
Utilities	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%
Index/ETF	-0.01%	0.00%	-0.01%	-0.01%	0%	0%	0%	0%
Total	**11.06%**	**-1.32%**	**9.74%**	**8.67%**	**149%**	**-10%**	**159%**	**139%**

Below, we show the top 10 winning and losing investments (in rank order) for the Fund in Q4 2024[3]:

Top 10 Contributors

Company	Ticker	Long/Short	9/30/2024 Stock Price	12/31/2024 Stock Price	% Price Change
MDA SPACE	MDA	Long	17.38	29.53	69.91%
TOWER SEMICONDUCTOR	TSEM	Long	44.26	51.51	16.38%
WIX.COM	WIX	Long	167.17	214.55	28.34%
KORNIT DIGITAL	KRNT	Long	25.84	30.95	19.80%
CIENA	CIEN	Long	61.59	84.81	37.70%
PARAMOUNT RESOURCE	POU	Long	26.35	31.82	20.76%
MARRIOTT VACATIONS WORLDWIDE	VAC	Long	73.48	89.80	22.21%
RH	RH	Long	334.43	393.59	17.69%
AVIDXCHANGE HOLDINGS	AVDX	Long	8.11	10.34	27.50%
CEVA	CEVA	Long	24.15	31.55	30.64%

[2] Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 15—these figures are not properly understood without reference to these disclosures.
[3] Short investments are labelled by GICS Sector and the price changes are rounded to the nearest tenth.

Top 10 Detractors[4]

Company	Ticker	Long/Short	9/30/2024 Stock Price	12/31/2024 Stock Price	% Price Change
ALIGN TECHNOLOGY	ALGN	Long	254.32	208.51	-18.01%
AXCELIS TECHNOLOGIES	ACLS	Long	104.85	69.87	-33.36%
CONSUMER DISCRETIONARY CO	N/A	Short	N/A	N/A	40.00%
FINANCIALS CO	N/A	Short	N/A	N/A	100.00%
BANK OF CYPRUS	BOCHGR	Long	4.64	4.60	-0.86%
PENNYMAC FINANCIAL SERVICES	PFSI	Long	113.97	102.14	-10.38%
BXP	BXP	Long	80.46	74.36	-7.58%
GREENFIRST FOREST	GFP	Long	7.57	5.23	-30.92%
MICRON TECHNOLOGY	MU	Long	103.71	84.16	-18.85%
JANUS INTERNATIONAL GROUP	JBI	Long	10.11	7.35	-27.30%

Top Five Contributors and Detractors Commentary

MDA Space ("MDA CN")

MDA Space saw its stock increase by +69.91% in the fourth quarter as the company continued progressing on multiple fronts, including opportunities within its backlog and pipeline. Although expectations were high, the company delivered revenue, profitability, and operating cash flow that exceeded expectations. Prior to the company's earnings release in November, MDA's customer Globalstar ("GSAT") announced that it was selected to provide satellite communication services for Apple's ("AAPL") next-generation satellite-to-device services.[5] Since MDA serves as the "prime" contractor for GSAT and AAPL's first constellation, we see a high likelihood that MDA could be announced as the "prime" for their next-generation satellite constellation. Over the past 18 months, MDA has won prime contractor bids for two preeminent Low-Earth-Orbit ("LEO") satellite constellations. In 2023, MDA won the prime contract for the $2.1 billion Telesat's ("TSAT") LEO constellation of 198 satellites. In late 2023, MDA began work on another digital constellation for an undisclosed customer, initially valued at $180 million and since increased to over $300 million. We expect it to again increase to $750 million for 36 software-defined satellites, which we may hear in the company's upcoming fourth-quarter earnings report.

In addition to its satellite contracts, MDA has several other catalysts that we expect to drive revenue and the stock. During the second half of 2024, MDA announced that it was awarded a $1 billion

[4] Bank of Cyprus is based on the prices of ASE listed securities, which is denominated in EUR. The P&L/performance also includes the Fund's investment in Senvest Cyprus Recovery Fund, L.P.
[5] https://www.cnbc.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-services.html#:~:text=Apple%20committed%20about%20$1.5%20billion,and%20expand%20its%20ground%20infrastructure.

contract extension to deliver the Canadarm 3 flight system for the Lunar Gateway as part of the Artemis program.[6] MDA is the go-to supplier of mission-critical robotics to the International Space Station and the burgeoning commercial space economy. Additionally, MDA should complete the build-out of "Chorus," its next-generation earth observation constellation that should launch in mid-2026 and replace its legacy Radarsat-2 constellation. On top of this, MDA continues to talk about its growing pipeline that exceeds $15 billion in satellite opportunities. We believe the company has multiple commercial constellation opportunities and could announce more wins in 2025 as it continues to build out satellite manufacturing capacity in its new state-of-the-art Montreal manufacturing hub. Although the stock increased by over 150% in 2024, shares still trade at a reasonable multiple of 12x on enterprise value to EBITDA, based on 2025 consensus estimates. MDA's multiple remains roughly in line with peers but fails to reflect the expected 20-30% growth for the next several years.

Tower Semiconductor ("TSEM")

The Fund's largest investment in Tower Semiconductor, a leading specialty analog foundry, increased +16.38% during the fourth quarter. As we have highlighted throughout 2024, TSEM has benefited from strength in its Artificial Intelligence ("AI") and Cloud Data Center-related technologies, which again propelled the company's performance in its third-quarter earnings report. Tower has direct exposure to the AI supply chain, driving technology spending for the past two years as its core offerings move and connect data in servers, switches, and GPU clusters to train and inference AI workloads. During its most recent earnings call, management noted that its data center-related business again accelerated and should reach $250 million in revenue in 2024, representing close to 20% of the company's overall revenue and growing 75% year over year. TSEM is a global leader in silicon germanium ("SiGe") and silicon photonics ("SiPho"), key enabling technologies for AI data transfer. We believe TSEM holds the number one market share in these technologies, supplying close to two-thirds of the industry with its optical transceiver technologies. Datacenter prospects look promising again in 2025, so much so that Tower management disclosed that it plans to accelerate capital investment in these technologies with an additional $350 million incremental capacity to support data center infrastructure (SiGe and SiPho). Early indications suggest that cloud hyperscalers such as Microsoft, Amazon AWS, Google, and Meta plan to accelerate capital spending again in 2025, giving us confidence in TSEM's current visibility for 2025.

Outside of AI, TSEM's business continues to fluctuate with the ongoing volatility in the broader analog semiconductor market. TSEM is seeing growth off of depressed levels, particularly in certain areas of power management and image sensing but we have yet to see a meaningful inflection. With the ramp

[6] MDA Space News Release 6.27.2024

of new facilities in Italy and, to a lesser extent, New Mexico, we expect good growth for TSEM in 2025, which should exceed 10% on the top line. Tower previously outlined a long-term model that is highlighted by incremental revenue from strategic capacity agreements with ST Micro and Intel. These deals can add $1.2 billion in incremental revenue bringing total potential company revenue to $2.7 billion with EBITDA margins approaching 40% and earnings per share of $4.50, well ahead of prior company targets. Even with the recent move in the stock price (which has since approached the prior Intel deal announcement price of $53), we believe TSEM has material upside with shares currently trading at about 2.9x EV/Revenue and 8.2x EV/EBITDA on consensus 2025 estimates.

Wix ("Wix")

Shares of Wix increased by +28.34% during the fourth quarter as the company continues to execute against growth and profitability targets that it initially laid out at its 2023 Investor Day. Wix offers customers a platform to create, modify, and develop their own websites for a consumer and enterprise e-commerce online presence. During the third quarter, the company exceeded revenue, bookings, and free cash flow expectations while increasing their outlook for the remainder of fiscal year 2024. Wix differentiates itself with a unique partner strategy, whereby the company partners with web-design agencies and freelancers, enabled by its new "Wix Studio" offering that includes proprietary workflow management and editing platforms that allow for a more optimized website-design experience for a higher intent customer. This strategy has made the company more efficient in balancing sales growth and profitability. In the third quarter, partner channel revenue reached an all-time high of $155 million, +30% year-over-year, representing just over one-third of company revenue. We believe Wix has further potential upsides as its studio product gains traction with website design agencies.

In addition to the growth opportunity targeting the partner ecosystem, we have become increasingly more optimistic about Wix's "Self-Creator" segment, which accounts for the remaining two-thirds of Wix's business. The company recently highlighted a new strategy to reinvigorate the "Self-Creator" segment, which we define as smaller entrepreneur/SMB-type customers. In the upcoming year, Wix plans to refocus investments into this segment as they see improvements in the uptake of their GenAI tools as well as in the overall macro. As Wix's partner strategy takes hold, the company plans to refocus resources on applying incremental AI functionality that will help automate and promote ease of use of their website builder platform to generate better outcomes for customers. Despite the move in the stock in 2024, shares of Wix currently trade at only 18x EV/FCF on consensus CY'26 estimates, which is a discount to SMID-cap software peers that trade at 25x. We also believe that private equity's recent takeout of a Wix competitor, Squarespace, provides a valuation floor, as the company was taken out for 19x '25 free cash flow while growing at a lower rate than Wix. Moreover, we believe the current valuation does not reflect the "platform" value as a true operating and applications system for website creation nor its opportunity as an AI applications play.

Kornit Digital ("KRNT")

Kornit Digital's stock price increased +19.80% in the fourth quarter following the company's earnings report in early November, showing progress amid a continued challenging macro backdrop. To a degree, we also believe that shares benefited from the "re-shoring trade" that permeated markets following the November election. KRNT, a provider of digital textile printing solutions for tee shirts, polyesters, and fabrics, reported better-than-expected September quarter results and, more importantly, will show year-over-year revenue growth for the first time in two and half years exiting the December quarter along with positive adjusted EBITDA. Looking at 2025, management has stated that it expects an acceleration in revenue and expansion in gross and adjusted EBITDA margins. As discussed in our prior letter, we believe that KRNT has reached an inflection point with a combination of a stabilizing macro coupled with a refreshed product portfolio that we expect to accelerate the company's revenue over the coming years. This portfolio refresh includes new direct-to-fabric and polyester printing platforms that address a significantly large addressable market and has culminated with the ramp of its new high-volume "Apollo" direct-to-garment system.

KRNT's Apollo pipeline remains robust with the company expecting to complete 15 deliveries in 2024, with another 30 slated for 2025, consistent with commentary from its September analyst day. KRNT also continues to implement its "all-inclusive click" model that allows customers to make a pre-defined annual revenue commitment based on the number of impressions the system produces. As a result, Kornit will have a growing revenue contribution from this recurring revenue model, providing greater revenue visibility and predictability, which should warrant a higher valuation multiple. At its Investor Day in September, management highlighted a long-term framework that put revenue at $400-$500 million, along with gross margins in the mid-50s and EBITDA margins of 25%. Although the stock trades well off its lows, we still view the company's current valuation of 3.8x EV-to-2025 consensus revenue as not reflective of its potential, given the massive opportunity still ahead of it. KRNT's shares still trade at a discount to historical levels, which have been closer to 5-7x EV-to-revenue.

Ciena ("CIEN")

Ciena's stock increased +37.70% in the fourth quarter on a stronger-than-expected growth outlook expected to continue into 2025. Ciena provides optical-networking equipment historically relevant to Service Provider Telecom networks but has gotten a second life on the back of webscale cloud providers' AI workloads that require high bandwidth data center interconnections. Ciena exceeded quarterly sales expectations, but the outlook was a real positive surprise. Management now expects

8-11% annually from 2025-2027, up from its prior 6-8% growth targets. Direct cloud sales exceeded expectations and grew 53% quarter over quarter to 34% of sales. We believe Meta was CIEN's biggest customer, while Google remains a key customer as well. We expect other cloud operators (Microsoft, Apple, Oracle, etc.) to continue to grow, and the vertical could grow 20%+ in FY25. CIEN also benefits from cloud traffic offloaded to traditional Service Provider networks, which also drives incremental demand.

Our investment thesis on CIEN rests on the company's ability to take significant long-term market share given its technology advantage – as evidenced by its industry-leading optical technology portfolio over a generation ahead of its nearest competitors. CIEN has a decade-long track record for out-executing competitors on product development and winning market share. We fundamentally believe that demand for optical connectivity will grow at a faster level than its historical rates as data centers will require more optical connectivity as the location of data centers continues to distribute more broadly given the power constraints that result from training AI workloads. With AI training – particularly as GPU cluster sizes get bigger and bigger – more and more training occurs in de-centralized locations across the network rather than in single data centers. Looking out over the next few years, we believe CIEN has the ability to generate $5.50+ in EPS power in calendar 2026 based on durable double-digit revenue growth in 2025 and 2026, respectively, accompanied by margin expansion as they gain scale. Even at current share price levels in the mid-80s, shares remain attractive at roughly 15x projected earnings, given our view of future earnings potential.

Align Technology Inc. ("ALGN")

ALGN, a leading orthodontics manufacturer and digital dentistry innovator, declined -18.01% in the quarter. ALGN designs, manufactures, and markets the Invisalign system, a clear aligner treatment for straightening teeth. The company's industry-leading digital dentistry ecosystem includes the iTero intraoral scanner and ClinCheck, an AI-assisted treatment planning software.

Since our investment, ALGN has faced a mix of progress and setbacks largely due to the ongoing inflationary headwinds pressuring discretionary healthcare spend. We remain optimistic about ALGN's leadership in the ~$5 billion clear aligner market and believe that the moat between ALGN and competitors will further widen as ALGN rolls out fully 3D printed products over the next few years, including the first 3D printed clear aligner. The teen orthodontic channel continues to present substantial growth potential as the secular shift from brackets-and-wires to clear aligners is in the early innings, and penetration remains low. While adult aligner demand has slowed post-COVID due to demand pull-forward during the pandemic, easing macro pressures and clearing backlogs should support a return to mid-teens growth for the teen population and mid- to upper-single digits for adults.

ALGN reported a Q3 2024 miss on revenue and case shipments compared to Street expectations, along with softer Q4 2024 guidance, pressuring shares. The revision reflected incremental ASP pressures tied to FX and a modest rise in promotional activity along with ongoing macroeconomic pressures afflicting the dental sector. Despite these challenges, ALGN reported a record number of dental customers during the quarter and continues to make progress in TAM expansion and manufacturing innovation with the rollout of the Invisalign Palate Expander, its first direct 3D printed product, and strong sales of the next-generation iTero Lumina intraoral scanner. With Street numbers for 2025 reset lower, valuation at multi-year lows, improving consumer sentiment, and growing optimism amongst dental professionals with the incoming presidential administration, we see an improved setup heading into next year.

While timing remains uncertain given the company's recent growth challenges and softer Q3 2024 performance, ALGN has delivered 5% organic revenue growth and 12% EPS growth on a year-to-date basis. This performance is better than broader medtech peers, reinforcing our belief that ALGN can return to more consistent upper-single- to low-double-digit global revenue growth and low- to mid-teens or slightly higher earnings growth as the macro environment improves. In this scenario, we believe that ALGN's EBITDA multiple could re-rate from 14x 2025 EBITDA to the low-20s, in line with medtech peers, including dental and animal health peers STMN and IDXX and other quality, medtech market leaders such as SYK, RMD. Forecasting the timing of such improvement and multiple expansion, however, remains the biggest challenge, in our view. As with many of our historical winners, we expect our patience to be rewarded ultimately.

Axcelis Technologies ("ACLS")

Axcelis Technologies, a leading ion implant semiconductor capital equipment company, declined -33.36% in the fourth quarter as softness in some of the company's end markets weighed on results and the stock price. ACLS is a leader in equipment used in the production of power semiconductors, such as Silicon Carbide ("SiC"), a key component in the Electric Vehicle supply chain. The company noted on its earnings call that it saw a downtick, which was attributed to SiC inventory digestion in China and broader weakness in power semiconductors in Europe. Management provided an initial view on 2025, noting that Q1 2025 revenue will likely be lower than Q4 2024 and that 2025 revenue could be lower than 2024. While we still see a significant opportunity for Axcelis, the near-term remains extremely cloudy, and the company's commentary suggests that the timing of a near-term rebound remains a question mark, and visibility appears to be further reduced. Note that we reduced the position size significantly ahead of earnings, and today it represents less than 1% of the Fund's equity.

Consumer Discretionary Company

A short position in a consumer discretionary company rose approximately +40.00% in the third quarter. Despite higher expenses from renewed contracts, the stock rallied on better-than-expected financials and Q4 2024 guidance. Note that while not designed as a pair trade, we have a core long investment in this company's main competitor.

Financials Company

A short position in a financials company rose approximately +100.00% in the fourth quarter. Along with other companies in the sector, shares appreciated hopes for significant deregulation after the election in November. Note that while not designed as a pair trade, we also have a long investment in one of this company's competitors.

Bank of Cyprus Holdings ("BOCH")

Bank of Cyprus Holdings, the leading bank in Cyprus, had its share price ticked down by -0.86% (in Euros) in Q4 2024 as the shares consolidated their gains from prior quarters, ending the year with a +37.31% share price appreciation. However, the Euro's -7% decline in the fourth quarter led to unrealized losses of close to 8% in USD during the period.

The Cyprus economy continues to strengthen, with GDP growth accelerating to 3.8% in Q3 2024. All major ratings agencies have upgraded Cyprus to A- in the last few months. BOCH recorded an impressive return on tangible equity ("ROTE") of 22.9% and high organic capital generation of 355bps in the first nine months of 2024, increasing its CET-1 capital to 20.9% pre-distribution accrual, much higher than its regulatory requirement of 10.9% and its internal target of 15%. Asset quality is now excellent, with an NPE ratio of 2.4% in Q3, and 96% provision coverage. Management has taken hedging actions to smoothen the effect of ECB rate decreases and we expect its profitability will remain high going forward. The bank had €7.5 billion of cash or 29% of total assets deposited at the ECB at the end of Q3 2024.

We expect 2024 EPS to be around 2023 record levels, and the shareholder payout to increase to 50% of earnings from 30% for 2023, leading to a dividend yield of around 10%. In an important development, regulators recognized the excellent condition of the bank and released it from the requirement for pre-approval of dividend payments.

In addition to the dividend, we expect a new, larger buyback program to commence in the next weeks, which will be another positive for the share price. The prior buyback of €25 million and the relisting in Athens have led to higher share liquidity, improving in what had been a key weakness for the shares.

Brokers completed two heavily oversubscribed accelerated bookbuilding secondary share sale processes in the fourth quarter through which they have placed about 8% of the outstanding shares with highly reputable long only funds, which enhanced the quality of the shareholders.

Based on our analysis, BOCH has one of the highest dividend yields, highest ROTEs and one of the highest capital ratios of publicly traded Euro-area banks yet has the lowest valuation in terms of P/E multiple at around 4x and one of the lowest in terms of price/book. We continue to believe that the market undervalues BOCH and that the shares have strong potential to reprice higher due to their excellent anticipated dividend yield and high profitability, coupled with improvement in its visibility and trading volumes, which are likely to lead to a convergence in its valuation relative to comparable high-ROTE European banks. We remain optimistic about its performance in 2025.

Portfolio Activity

We added to a number of core holdings in the quarter, including WIX, ALGN, and other core investments. We initiated positions in a social media company and a semiconductor testing products and services company. We trimmed a few core holdings and exited or largely exited a few investments, generally based on relative stock price strength and position sizing, including companies in the information technology, financial, consumer discretionary, and industrial sectors. Given our expectation of market strength associated with a Trump victory, we did not add to any short positions in the quarter and largely covered a few existing short positions in the industrials, consumer staples, and consumer discretionary sectors. As a result of stock price and portfolio changes, the Fund ended the year with higher gross and net long exposure than at the start of the year. The Fund's gross long exposure on December 31, 2024, increased from 144% at the end of 2023 to 155%, while short exposure declined to 9% from 15%. The Fund closed out the year with a net long exposure of 146%, compared to 129% at the beginning of the year.

During the quarter, one of the Fund's largest core investments, Canadian oil and gas exploration and production company Paramount Resources ("POU"), announced a significant asset sale that will fund a large dividend representing approximately half of the market cap of the company. With this cash dividend anticipated for an early 2025 payout, we think that the effective gross long and net exposure should be reduced by the amount of the cash dividend, which approximates 5% of the Fund's equity. As a result, on a pro forma basis, the Fund's gross long exposure would decrease to approximately 150%, and net long exposure would be about 141%.

Review of 2024

Below, we show the Fund's sector attribution for 2024 along with average gross long and short exposure for the year:

Sector Exposure and Average Exposures for 2024[7]

	Attribution 2024				Average Exposure 2024				Exposure 12/31/2024			
Sector	**Long**	**Short**	**Total Gross**	**Total Net**	**Long**	**Short**	**Gross**	**Net**	**Long**	**Short**	**Gross**	**Net**
Communication Services	2.75%	-0.09%	2.66%	2.41%	8%	0%	8%	8%	11%	0%	11%	11%
Consumer Discretionary	2.64%	-0.82%	1.82%	1.65%	15%	-7%	22%	8%	16%	-4%	20%	12%
Consumer Staples	-0.79%	-0.37%	-1.16%	-1.27%	2%	0%	2%	2%	3%	-1%	4%	2%
Energy	2.60%	0.01%	2.61%	2.36%	13%	0%	13%	13%	12%	0%	12%	12%
Financials	4.55%	-0.71%	3.84%	3.47%	23%	-1%	24%	22%	22%	-1%	23%	21%
Health Care	-7.66%	-0.06%	-7.72%	-8.46%	13%	0%	13%	13%	14%	0%	14%	14%
Industrials	9.46%	0.11%	9.57%	8.66%	15%	-4%	19%	11%	19%	-3%	22%	16%
Information Technology	11.56%	0.07%	11.63%	10.52%	46%	-1%	47%	45%	49%	0%	49%	49%
Materials	-0.71%	0.01%	-0.70%	-0.77%	1%	0%	1%	1%	1%	0%	1%	1%
Real Estate	1.49%	-0.19%	1.30%	1.18%	11%	0%	11%	11%	8%	0%	8%	8%
Utilities	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Index/ETF	-0.06%	0.04%	-0.02%	-0.02%	0%	0%	0%	0%	0%	0%	0%	0%
Total	**25.83%**	**-2.00%**	**23.83%**	**19.73%**	**147%**	**-13%**	**160%**	**134%**	**155%**	**-9%**	**164%**	**146%**

On the following page is a list of the top 10 winning and losing investments (in rank order) for the Fund in 2024:

[7] Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 15—these figures are not properly understood without reference to these disclosures.

Top 10 Contributors in 2024[8]

Company	Ticker	Long/Short	12/31/2023 Stock Price	12/31/2024 Stock Price	% Price Change
TOWER SEMICONDUCTOR	TSEM	Long	30.52	51.51	68.77%
MDA SPACE	MDA	Long	11.52	29.53	156.34%
WIX.COM	WIX	Long	123.02	214.55	74.40%
KORNIT DIGITAL	KRNT	Long	19.16	30.95	61.53%
CIENA	CIEN	Long	45.01	84.81	88.42%
M&T BANK	MTB	Long	137.08	188.01	37.15%
PARAMOUNT RESOURCE	POU	Long	25.93	31.82	22.72%
BANK OF CYPRUS	BOCHGR	Long	3.35	4.60	37.31%
CRITEO ADR REP	CRTO	Long	25.32	39.56	56.24%
RADWARE	RDWR	Long	16.68	22.53	35.07%

Top 10 Detractors in 2024[9]

Company	Ticker	Long/Short	12/31/2023 Stock Price	12/31/2024 Stock Price	% Price Change
HEALTH CARE CO	N/A	Short	N/A	N/A	-40.00%
UIPATH	PATH	Long	24.84	12.71	-48.83%
AMERICAN WELL	AMWL	Long	29.80	7.25	-75.67%
AXCELIS TECHNOLOGIES	ACLS	Long	129.69	69.87	-46.13%
AVIDXCHANGE HOLDINGS	AVDX	Long	12.39	10.34	-16.55%
ALIGN TECHNOLOGY	ALGN	Long	274.00	208.51	-23.90%
CONSUMER DISCRETIONARY CO	N/A	Short	N/A	N/A	60.00%
FINANCIALS CO	N/A	Short	N/A	N/A	50.00%
KILROY REALTY REIT	KRC	Long	39.84	40.45	1.53%
LUMIRADX	N/A	Long	0.06	0.00	-100.00%

Outlook and Positioning for 2025

As one might judge from the positioning of the Fund mentioned previously, we believe the return of the Trump presidency should provide tailwinds to the economy and our portfolio companies stemming from a drastically reduced regulatory burden, lower taxes, and efforts to boost domestic manufacturing. One important difference that stands out at this time is that AI's burgeoning development and influence are a major fillip to the economy. Many pundits and the broader financial media harp on the potential for inflation that could come from a stronger economy resulting from

[8] Bank of Cyprus is based on the prices of ASE listed securities, which is denominated in EUR. The P&L/performance also includes the Fund's investment in Senvest Cyprus Recovery Fund, L.P.
[9] LumiraDx was delisted from the Nasdaq on January 9, 2024

Trump policies, and the risk of a return of Fed interest rate hikes, which would act as a headwind to stock prices. However, we think that doesn't necessarily hold true when economic growth comes with productivity improvements. In fact, we've seen this in action this past year as productivity has shown solid trends as noted by Ned Davis Research ("NDR"): "Continued strong productivity growth keeps a lid on unit labor costs and inflation…Non-farm productivity increased at a 2.2% annualized rate in Q3…It is up 2.0% from a year ago, at par or better than the upwardly revised average annual productivity gains in 2021 through 2023. It is also stronger than productivity growth in the previous business cycle through 2019." In another note, NDR adds "Nonfarm productivity has averaged 2.4% through the first three quarters of 2024, **the fastest pace this late in an expansion since the 1990s**."[10] We believe the continued development and deployment of AI technologies should further support productivity gains. While we recognize risks associated with the recent announcement of tariffs on Canada, Mexico, and China and the volatility of President Trump's proclamations, we note that in his second administration, he has appointed more seasoned Wall Street veterans and money-makers in critical positions. Business leaders also seem to have his ear. We also believe that Trump regards the S&P 500 index as perhaps the most important "opinion" poll he monitors. Therefore, we think that tariffs will be relatively short-lived.

Another important data point following the election that bolsters our conviction came with the release of the December National Federation of Independent Businesses ("NFIB") small business optimism Index. NDR points out that "The NFIB Small Business Optimism Index soared a record 8.0 points in November to 101.7, the highest level since June 2021, and well above expectations."[11] Bank of America's "Small Business Checkpoint" research, based on Bank of America account data, supported the surveyed optimism. They note: "Small business profitability in the last quarter of 2024 was stronger than the past two years...profits were close to pre-pandemic levels."[12]

On a final note, while the S&P 500 has hit record highs this month and many decry the relatively historically high valuation of that index, small and mid-cap stocks appear much cheaper and reasonably valued. Bloomberg reports that "US midcap stocks are attractive at the moment given their relatively cheaper valuations compared with larger companies, according to Goldman Sachs Group Inc. "They trade at much lower multiples than the rest of the market" and have similar growth rates, David Kostin, Goldman Sachs chief US equity strategist, said in a Bloomberg Television interview."[13] In a related research report from November, Kostin points out that "The S&P 400 (ticker: MID), an index of mid-cap stocks, has a long track record of outperformance versus large and small-cap stocks,

[10] Ned Davis Research (January 6, 2025). The 24 Charts of 2024: a year in pictures
[11] Ned Davis Research (December 10, 2024). Small business optimism surges.
[12] Bank of America (January 17, 2025). Small Business Checkpoint. Starting the new year strong.
[13] Bloomberg (January 14, 2025). US midcap stocks are top bets to own now, Goldman's Kostin says.

similar consensus earnings growth as large-caps, and trades at a lower absolute P/E multiple (16x)."[14] We also observe that the Russell 2000, comprised of small-cap stocks, trades at close to all-time lows relative to the broader Russell 1000 index, comprised of the largest 1,000 companies.

We have historically referenced the Russell 2000 index as the closest benchmark to the Fund, as it comprises stocks with a market cap range of $150 million to $7.1 billion and an average market cap of around $4.3 billion. Over the past number of years, though, the Fund has gravitated towards investments in mid-cap companies. The median market cap of the Fund's top 15 long holdings, which comprise about 100% of equity, amounts to about $7.0 billion and with a range of approximately $950 million to $31 billion. A breakdown of the Fund's composition by market cap size shows its net exposure to mid-cap stocks ($2 billion to $10 billion market cap) at approximately 66%. This explains why we highlighted the potential for mid-cap stocks in the prior paragraph.

The attached Appendix shows the Fund's top 15 long positions and their market valuations. We believe they reflect the relative cheapness of the Fund in absolute and relative terms.

We thank our partners for your support and continued confidence in Senvest by entrusting us with your capital. As always, feel free to reach out to us with any questions.

Very truly yours,

Richard Mashaal

Brian Gonick

[14] Goldman Sachs Research (November 18, 2024). 2025 US Equity Outlook: The Art of the Deal.

Appendix A – Senvest Master Fund Top 15 Long Positions

Senvest Master Fund Top 15 Long Positions

		% Change			Trailing[1]				2025 Calendar[2]			
	Price	**52 Wk High**	**LTM**	**2025**	**EV / Rev**	**EV / EBITDA[3]**	**P / Adj. EPS[4]**	**P / TBV**	**EV / Rev**	**EV / EBITDA[3]**	**P / Adj. EPS[4]**	**Market Cap**
Tower Semi (TSEM US)	$49.40	(10%)	72%	(4%)	3.2x	9.7x	21.8x	2.1x	2.9x	8.2x	18.0x	$5,556
Wix (WIX US)	$230.49	(7%)	80%	7%	7.8x	37.9x	39.4x	NM	6.6x	26.6x	30.4x	$13,736
Paramount Resources (POU CN)[5]	C$29.31	(11%)	16%	(8%)	2.6x	4.7x	4.5x	1.3x	6.1x	7.3x	11.4x	C$4,578
Kornit (KRNT US)	$28.86	(12%)	65%	(7%)	4.3x	NM	NM	1.9x	3.8x	NM	40.7x	$1,434
UiPath (PATH US)	$14.21	(47%)	(39%)	12%	4.5x	26.6x	23.0x	4.8x	4.0x	25.4x	22.4x	$7,872
Bank of Cyprus (BOCHGR GA)	€4.91	(3%)	41%	7%	NM	NM	4.1x	0.8x	NM	NM	5.9x	€2,175
Boston Properties (BXP US)	$71.68	(20%)	13%	(4%)	8.8x	16.2x	10.1x	2.3x	8.8x	15.4x	14.4x	$12,630
M&T Bank (MTB US)	$195.87	(12%)	47%	4%	NM	NM	13.4x	1.4x	NM	NM	12.0x	$32,821
Align Technology (ALGN US)	$215.82	(35%)	(21%)	4%	3.8x	14.9x	21.7x	4.8x	3.6x	15.4x	19.8x	$16,134
MDA (MDA CN)	C$21.93	(26%)	91%	(26%)	3.1x	15.3x	NM	NM	2.1x	10.8x	20.5x	C$2,725
Illumina (ILMN US)[6]	$131.10	(16%)	(6%)	(2%)	5.1x	19.7x	30.8x	NM	4.9x	17.8x	NM	$20,845
Marriott Vacations (VAC US)	$84.89	(21%)	1%	(5%)	1.2x	8.0x	12.9x	NM	1.1x	7.4x	11.1x	$2,964
RH (RH US)	$395.14	(13%)	54%	0%	3.1x	19.0x	NM	NM	2.7x	13.0x	31.0x	$7,303
Criteo (CRTO US)	$37.66	(24%)	43%	(5%)	2.0x	5.6x	7.8x	6.0x	1.8x	5.7x	8.0x	$2,345
Radware (RDWR US)	$22.01	(10%)	17%	(2%)	2.2x	20.2x	17.3x	4.2x	2.0x	14.4x	16.4x	$959
Median[7]		**(13%)**	**41%**	**(2%)**	**3.2x**	**15.7x**	**15.3x**	**2.2x**	**3.6x**	**13.7x**	**17.2x**	
Russell 2000[8]		(6%)	17%	3%	1.8x	14.6x	19.9x	3.8x	1.9x	12.8x	17.8x	
S&P 500[8]		(1%)	22%	3%	3.4x	16.5x	27.6x	13.7x	3.3x	14.7x	23.7x	

Note : NM = Not Meaningful. NA = Not Available. Senvest Top 15 ranking as of 2/3/25. Prices, market cap and fundamentals as of 2/3/25. POU CN and MDA CN Price, Market Cap and EPS in CAD, BOCHGR GA. Price, Market Cap and EPS in EUR, all other positions in USD. BOCHGR GA position includes investment in Senvest Cyprus Recovery Investment Fund (SCRIF).

(1) Trailing multiples based on last twelve months reported data for all companies.
(2) Bloomberg Estimates for calendar year 2025; Adjustments exclude non-cash charges, including intangible amortization and stock-based compensation.
(3) Trailing and Forward EBITDA estimates for POU CN represent Debt Adjusted (Unlevered) Cash Flow.
(4) P / Adj. EPS based on cash adjusted stock prices for those companies with positive net cash per share (TSEM, WIX, POU, KRNT, PATH, ALGN, CRTO, and RDWR). Earnings estimates for POU CN and BXP US based on FFO.
(5) POU CN historicals and projections are unadjusted for the sale of Montney assets to Ovintiv.
(6) ILMN historicals and projections exclude GRAIL reportable segments.
(7) Median calculations also exclude members with negative earnings.
(8) P / EPS for Russell 2000, and S&P 500 represent current Price / Adj. EPS multiples from Bloomberg excluding members with negative earnings.

AUM ($ Million) - as of 12/31/2024 **$2,517.8**

Portfolio Exposure (% of AUM)	Q3 2024	Q4 2024	Change
Gross Long	147%	155%	8%
Gross Short	-10%	-9%	1%
Total Gross	157%	164%	7%
Net	137%	146%	9%
Cash & Currency	-37%	-46%	-9%

Concentration (% of Equity)	Q3 2024	Q4 2024	Change
Top 10 Longs	72%	78%	7%
Top 20 Longs	111%	118%	7%
Largest Long Position Size	13%	14%	1%
Top 10 Shorts	10%	8%	-2%
Top 20 Shorts	10%	9%	-1%

Senvest Master Fund, LP ("Senvest Partners")
Review of Q4 2024 & 2025 Outlook: February 5, 2025

IMPORTANT DISCLOSURES

This letter is an informational document and does not constitute an offer to sell or a solicitation to purchase any securities in any entity organized, controlled, or managed by Senvest Management, LLC ("Senvest") or in (i) Senvest Partners LP, a Delaware limited partnership, (ii) Senvest Partners Ltd., a Cayman Islands exempted company (both Senvest Partners LP and Senvest Partners Ltd. invest substantially all of their assets in Senvest Master Fund, L.P.), or any other partnership interests described herein (collectively, the "Funds"), and may not be relied upon in connection with any offer or sale of securities. Any offer or solicitation may only be made pursuant to a Confidential Private Offering Memorandum (or similar document) which will only be provided to qualified offerees and should be reviewed carefully by any such offerees prior to investing.

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An investor in a Fund could lose all or a substantial amount of his or her investment. Returns generated from an investment in a Fund may not adequately compensate investors for the business and financial risks assumed. While the Funds are subject to market risks common to other types of investments, including market volatility, the Funds employ certain trading techniques such as the use of leverage and other speculative investment practices that may increase the risk of investment loss. The products and strategies in which the Funds expect to invest may involve above-average risk. Please see the Risk Factors section of the applicable Confidential Private Offering Memorandum (or similar document) for certain risks associated with an investment in a Fund.

Certain information contained in this Presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual policies, procedures and processes of the Investment Manager and the performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements and no undue reliance should be placed on these forward-looking statements, nor should the inclusion of these statements be regarded as the Investment Manager's representation that the Funds will achieve any strategy, objectives or other plans.

This document should be read in conjunction with, and is qualified in its entirety by, information appearing in the Confidential Private Offering Memorandum (or similar document) for each Fund and the organizational documents for such fund (e.g. limited partnership agreements, articles of association, etc.), which should be carefully reviewed prior to investing. Potential investors should consult a professional adviser regarding the possible economic, tax, legal or other consequences of entering into any investments or transactions described herein. Investment allocations and ownership percentages are subject to change without notice. The information contained herein is confidential and cannot be reproduced, shared or published in any manner without the prior written consent of Senvest.

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The Investment Manager is not acting and does not purport to act in any way as an advisor or in a fiduciary capacity vis-a-vis any investor in the Funds. Therefore, it is strongly suggested that any prospective investor obtain independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure.

Certain performance information is provided for the Funds. Performance numbers are net of all fees and expenses unless noted otherwise. All returns are subject to revision until completion of the annual audit. Past performance is not necessarily indicative of or a guarantee of future results. Short position percentage of price change is rounded to maintain the anonymity of the security. Unless otherwise noted, all calculations in this report are made by Senvest. All profit and loss, or other performance information is unaudited and is net of fees and expenses based on an investment made at inception. Total returns reflect compounded monthly returns. The distribution of this document in certain jurisdictions may be prohibited or restricted by law; therefore, people in whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

Gross and Net Attribution Figures: Attributions of sector-level performance are shown on a gross basis unless otherwise noted herein ("Gross Attributions"). Gross Attributions reflect the return contribution by the aggregate investments in each Sector for the period indicated (calculated by dividing the gains/losses of the indicated Sector over the portfolio, as applicable), but is calculated prior to the deduction of management fees, [expenses] and incentive compensation paid to Senvest, which will reduce performance.

Net sector attributions ("Net Attributions") reflect Gross Attributions, reduced by a percentage equal to the quotient of the applicable Fund's net return divided by the applicable Fund's gross return in order to approximate a pro forma "net" return. This pro forma return should not be relied upon as a precise metric of the impact of fees and expenses on the performance of each Sector, for the reasons detailed below.

Net Attributions are presented pro forma because, although such figures reflect actual performance, these calculations apply management fees, expenses, and incentive compensation to each Sector's Gross Attributions, even though each Fund's fees, expenses and incentive compensation are only calculated for the applicable Fund as a whole. Correspondingly, this approximation does not precisely reflect the impact such fees and expenses had on the performance of positions included in each Sector. Net Attributions do not take into account the specific impact of leverage and other costs on specific Sectors' performance, nor do they incorporate the differing impact that each investor's [or Fund's] high water mark has on specific Sectors. For example, if the Fund as a whole accrued incentive compensation for a given period, the Net Attributions methodology would result in the reduction of Gross Attributions, on a percentage basis, of an amount incorporating that accrued incentive compensation from each Sector's performance, even where a Sector experienced negative performance (and therefore, viewed in isolation, would not have accrued incentive allocation). [In addition, expenses are not tracked on a Sector-by-Sector basis, and therefore the Net Attributions shown herein do not reflect an approximation of the precise impact of expenses on specific Sectors' performance—many expenses are incurred on a fund-wide level and do not relate to any specific portion of the investment program. Pro forma performance of this nature is subject to inherent limitations and should not form the basis for an investment decision. Additional information on the risks and limitations of pro forma performance is available upon request.

Senvest Master Fund, L.P. performance returns presented in certain tables reflect those Funds' historical performance during the time periods indicated.

The S&P 500 Index, HFRI Equity Hedge Total Index, and Russell 2000 Index (collectively, the "Indices") are included for informational purposes only. All index returns include dividend reinvestment. The Funds' portfolios will not replicate any of these indices and no guarantee is given that performance will match any of the indices; it is not possible to invest in any index. There are significant differences between the Funds' investments and the Indices (for instance, the Funds will use short sales and leverage and may invest in securities that have a greater degree of risk and volatility, as well as less liquidity, than those securities contained in the Indices). Moreover, the Indices are not subject to any of the fees or expenses that the Funds must pay. It should not be assumed that the Funds will invest in any specific securities that comprise the Indices, nor should it be understood to mean that there is a correlation between the Funds' returns and the Indices' performance. Additional information on each index follows:

The S&P 500 index is one of the most commonly used benchmarks for the overall U.S. stock market. This index is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held stocks including industrial, transportation, financial, and utility stocks. The composition of the 500 stocks is flexible and the number of issues in each sector varies over time.

The HFRX Equity Hedge Total Index is calculated by Hedge Fund Research, Inc. and is a benchmark of hedge fund industry performance that is engineered to achieve representative performance of equity hedge fund managers that would typically maintain at least 50%, and may in some cases be substantially entirely invested, in equities, both long and short. In order to be considered for inclusion in the HFRX Equity Hedge Index, a hedge fund must be currently open to new transparent investment, maintain a minimum asset size and meet the duration requirement (generally, a 24-month track record). Because the HFR Indices are calculated based on information that is voluntarily provided, actual returns may be higher or lower than those reported.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks by market capitalization. The Russell 2000 Index represents approximately 8% of the total market capitalization of the Russell 3000 Index.

	Q4[15]			Q4[1]		Annualized Since Inception	Cumulative Since Inception
	Oct	Nov	Dec	2024	2024		
Senvest Technology Partners	**-3.08%**	**18.44%**	**0.50%**	**15.37%**	**33.46%**	**17.63%**	**3,317.92%**
NASDAQ	-0.49%	6.30%	0.56%	6.36%	29.60%	14.24%	1,709.45%
Russell 2000	1.44%	10.97%	-8.26%	0.33%	11.53%	10.12%	713.15%

Dear Partners,

The fourth quarter ended strong as financial markets rallied on the heels of the U.S. election, with Donald Trump returning to the presidency. The promise of a more business-friendly environment, deregulation, and lower tax rates propelled the market in November. For the fourth quarter, the Fund was up +15.37%, outperforming its peer indices, with the NASDAQ up +6.36%, and the Russell 2000 up +0.33%. The "risk-on" post-election euphoria that drove SMID cap outperformance in November was short-lived. By early December, the Fed had signaled a pause in rate cuts as a precautionary measure to ensure that inflationary pressures would not heat up. While the near term remains fraught with the uncertainty of the disruptive nature of Trump's policies, we remain optimistic about the breadth and depth of technology adoption across global economies underpinning renewal and a return to growth.

2025 is off to a volatile start, with the first two months affected by mixed signals impacting global trade and foreign policy. On the one hand, we see some early signs of green shoots across several industries, suggesting a bottoming in the economic cycle. On the other, we are experiencing subdued global economic growth due to the potentially disruptive nature of U.S. tariffs. Even as the 'fog of economic war' has thickened and fostered a more cautious spending environment, the pace of technological innovation continues to advance, particularly with Artificial Intelligence ("AI"). This technology is now evolving from years of training AI models to an era of deploying these models for inferencing and reasoning into software applications and business processes. We are only at the beginning of the AI journey, which promises to have a profound impact on a wide range of industries from life sciences, robotics & industrial automation, software and cyber security to self-driving vehicles, to name a few. We believe this new era of AI will lead to renewed growth in devices, applications, and services in both the cloud and at the edge of the network that will drive better

[15] Net Performance

outcomes and productivity. AI has the potential to be one of the most transformative technologies to emerge since the birth of the Internet.

Technology Market Commentary:

AI continues to permeate deeper throughout the global economy and has been one of the key drivers behind spending in the technology stack even as other industries like wireless communications, Electric Vehicles ("EVs"), renewable energy, industrial automation, healthcare, and consumer electronics have seen a cyclical downturn. The continued pace of innovation across many fields within technology remains robust and, when combined with AI, promises to catalyze demand as improvements in capability, efficacy, and efficiencies reignite these growth industries.

AI was the singular biggest driver of growth in the fourth quarter as hyperscale cloud vendors continued to spend at a record pace on AI infrastructure. Hyperscale capex (Amazon, Google, Meta, Microsoft, and Oracle) increased 32% year-over-year in Q4 2024 and increased around 86% in 2024 to roughly $261 billion and is projected to increase again in 2025 at 34% year-over-year to nearly $350 billion. We are seeing a broadening of the AI ecosystem as it transitions from training to inferencing. Unlike the past three years, when only selected companies such as Nvidia, Microsoft, Amazon, Google, Meta, and OpenAI-types were considered the custodians of AI, this next phase of growth promises to distribute the benefits to a broader range of companies, industries, and regions.

Nearly all the companies we meet with describe how AI is being integrated into the core of their products and services, accelerating product refresh cycles and optimizing their business processes and capabilities. In several end markets to which the Fund's investments have direct exposure, we are witnessing new levels of innovation reigniting growth after many years of market stagnation.

Wireless Communications – Edge AI Connectivity:

One area primed for significant innovation is the cell phone industry, which is poised for a major evolution centered around AI and satellite communication. Apple is at the forefront with its own Apple Intelligence, promising to reaccelerate demand for new devices and services that will mirror the cadence of introducing new dedicated AI hardware. A new phase of innovation around AI and Satellite communication should shorten the refresh cycle for cell phones and propel the entire industry forward as competitors, such as Samsung, quickly respond to the new features being introduced by Apple. Combined with new AI capabilities, the cell phone will also incorporate new satellite connectivity technologies, and after years of stagnation, the mobile ecosystem is set for a period of AI-driven innovation and growth.

As AI extends its reach into edge device areas like remote health monitoring, smart home, industrial automation, and transportation, to name a few, having a secure and resilient wireless connection is paramount to providing cloud-enabled services. We continue to see devices incorporate more advanced connectivity standards that range from near-field technologies like Bluetooth, WiFi7, and private terrestrial networks to more complex systems based on satellite-to-device connectivity.

Several of our investments are geared towards this theme of wireless connectivity and provide the Fund with exposure across the stack from Apple’s new in-house cellular modems to the emerging direct-to-device Low Earth Orbit (“LEO”) satellite market.

Electrification – Automotive and Solar:

The automotive market remains a tale of two worlds: weak demand persists in Western economies, while China sees persistent strength from government-sponsored EV adoption. The trend toward electrification offsets weakness in traditional internal combustion engine vehicles. In the West, the downshift in demand for hybrids and low-cost EVs in China has resulted in a more muted growth profile for the EV supply chain, which has geared up for fast growth. As AI technology for self-driving cars advances, we are closer to the reality of robotaxis, transforming the ride-share industry and reigniting demand for EVs.

Solar energy has faced a cyclical downturn for nearly six quarters, as high interest rates and reduced government incentives have impacted demand. Given a significant percentage of the world's solar panels are manufactured in China, the escalating trade war poses a growing risk of disrupting the supply of affordable Chinese rooftop solar panels and potentially jeopardizing a recovery for residential solar.

Industrial Automation:

Industrial automation signifies a vital investable theme that we expect will evolve over the coming years, particularly as regionalization and the repatriation of production take place worldwide. The ongoing post-Covid transition away from China will generate demand for a more efficient and resilient supply chain. To ensure this new strategy aligns with cost criteria, increased levels of automation will be crucial. Current threats of U.S. tariffs are likely to trigger a shift from nearshoring to onshoring, as China attempts to rely on countries like Mexico and Canada as loopholes to circumvent existing trade barriers.

The introduction of AI into conventional manufacturing processes is now being integrated into the factory floor, driving improvements in predictive maintenance and quality control while enhancing the capabilities of autonomous robotics, process automation, and supply chain management, along with many other functionalities. Overall, AI in industrial automation allows factories to operate more efficiently, reduce expenses, and improve quality. In the near term, we are seeing a pause in purchasing across industrial spending as many companies wait for more certainty regarding trade policies, government programs, and interest rate policy.

Enterprise Software & IT Services:

Finally, enterprise software and IT services remain under pressure due to slower economic activity, which has prevented discretionary budgets from expanding at the same pace as in previous years. We have just completed our fourth year of the post-COVID adjustment period, during which enterprises have managed their IT spending on software applications and engineering more tightly.

Somewhat offsetting the cyclical effect is the ongoing digital transformation of cloud migration, which is now entering a new phase of AI integration. This next phase of enterprise software innovation centered around the integration of cloud AI is expected to drive increased productivity. Agentic AI is helping to streamline processes that were too complex to automate in the past and promises to bring new efficiencies and capabilities to the market. As mentioned, we are in the early stages of an enterprise AI transformation and foresee this trend continuing over the next several years.

OUTPERFORMERS:

MDA Space [TSX: MDA CN] and Wix.com [NASDAQ: WIX] were the two largest contributors in the fourth quarter.

MDA

MDA Space saw its stock increase by +69.91% in the fourth quarter as the company continued progressing on multiple fronts, including opportunities within its backlog and pipeline. Although expectations were high, the company delivered revenue, profitability, and operating cash flow that exceeded expectations. Prior to the company's earnings release in November, MDA's customer Globalstar announced that it was selected to provide satellite communication services for Apple's next-generation satellite-to-device services.[16] Investors believe that given MDA is currently the "prime" contractor for Globalstar and Apple's first constellation, there is a high likelihood that MDA could be announced as the "prime" for its next-generation satellite constellation. Over the past twelve months MDA has been announced as the prime contractor to two of the preeminent LEO satellite constellations. In 2023, MDA was announced as the "prime" for $2.1 billion Telesat's"Lightspeed" LEO Satellite constellation of 198 satellites, and also selected to begin work on another digital constellation for an undisclosed customer. This particular contract was initially valued at $180 million and has since increased to over $300 million but we expect it to increase again to $750 million for 36 software-defined satellites. We may even get this announcement in the company's upcoming fourth quarter earnings report.

In addition to its satellite contracts, MDA has several other catalysts that we expect to drive revenue and the stock. During the second half of 2024, MDA announced that it was awarded a $1 billion contract extension to deliver the Canadarm 3 flight system for the Lunar Gateway as part of the Artemis program.[17] MDA is the go-to supplier of mission-critical robotics to the International Space Station and the burgeoning commercial space economy. Additionally, MDA is getting closer to the completion of its build-out of "Chorus," its next-generation earth observation constellation that will eventually replace its legacy Radarsat-2 constellation. On top of this, MDA continues to talk about its growing pipeline that exceeds $15 billion in satellite opportunities. We believe the company is pursuing multiple commercial constellation opportunities and could announce more wins in 2025 as it continues to build out satellite manufacturing capacity in its new state-of-the-art Montreal

[16] https://www.cnbc.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-%services.html#:~:text=Apple%20committed%20about%20$1.5%20billion,and%20expand%20its%20ground%20infrastructure.
[17] MDA Space News Release 6.27.2024

manufacturing hub. Although the stock increased by over 150% in 2024, shares still trade at a reasonable multiple of 11x on enterprise value to EBITDA, based on 2025 consensus estimates. MDA's multiple remains roughly in line with peers but fails to reflect the expected 20-30% growth for the next several years.

WIX

Shares of Wix increased by +28.34% during the fourth quarter as the company continues to execute against growth and profitability targets that it initially laid out at its 2023 Investor Day. Wix.com offers customers a platform to create, modify, and develop their own websites for a consumer and enterprise e-commerce online presence. During the third quarter, the company exceeded revenue, bookings, and free cash flow expectations while increasing its outlook for the remainder of Fiscal Year 2024. One of Wix's key differentiators is its unique partner strategy, whereby the company partners with web-design agencies and freelancers, which is enabled by its new Wix Studio offering that includes proprietary workflow management and editing platforms that allow for a more optimized website-design experience for a higher intent customer. This strategy has been a key pillar of growth for the company, helping them balance sales growth and profitability. In the third quarter, partner channel revenue reached an all-time high of $155 million, +30% year-over-year, representing just over one-third of company revenue. We believe there is further potential upside as Wix's Studio product continues to gain traction with website design agencies.

In addition to the growth opportunity targeting the partner ecosystem, we have become increasingly more optimistic about Wix's "Self-Creator" segment, which accounts for the remaining two-thirds of Wix's business. The company recently highlighted a new strategy to reinvigorate the "Self-Creator", which we define as smaller entrepreneur/SMB-type customers. In the upcoming year, Wix is planning to refocus their investments into this segment of the market as they are starting to see improvements in the uptake of their GenAI tools as well as in the overall macro. As Wix's partner strategy takes hold, the company is now planning to refocus resources on applying incremental AI functionality that will help automate and promote ease of use of their website builder platform to generate better outcomes for customers. Despite the move in the stock in 2024, shares of Wix currently trade at only 15-16x EV/FCF on consensus CY'26 estimates, which is a discount to SMID-cap software peers that trade at around 22x. We also believe that Private Equity's recent takeout of a Wix competitor, Squarespace, provides a valuation floor, as the company was taken out for 19x '25 Free cash flow while growing at a lower rate than Wix.

UNDERPERFORMERS

Axcelis Technologies [NASDAQ: ACLS] and a Consumer Discretionary short position were the two largest detractors in the fourth quarter.

ACLS

Axcelis Technologies, a leading ion implant semiconductor capital equipment company, declined -33.36% in the fourth quarter as softness in some of the company's end markets weighed on results and the stock price. ACLS is a leader in equipment used in the production of power semiconductors, such as Silicon Carbide ("SiC"), a key component in the EV supply chain. The company noted on its earnings call that it saw a downtick which attributed to SiC inventory digestion in China and broader weakness in power semiconductors in Europe. Management provided an initial view on 2025, noting that Q1 2025 revenue will likely be lower than Q4 2024 and that 2025 revenue could be lower than 2024. While we still see a significant opportunity for Axcelis given the need for more ion implantation steps in many critical semiconductor manufacturing processes, the near-term remains extremely cloudy. At its Investor Day in July 2024, ACLS outlined a medium-term financial model that calls for revenue of $1.3 billion and EPS of $9.00/share, with a long-term model calling for $1.6 billion in revenues and EPS of $11.50/share. Unlike last quarter, however, the company's commentary suggests that the timing of the near-term rebound remains a question mark and visibility appears to be further reduced.

Consumer Data Technology Company

A short position in a consumer data technology company rose approximately +40.00% in the fourth quarter. The stock rallied on better-than-expected financials and Q4 2024 guidance despite higher rights expenses from renewed contracts. Offsetting some of this unrealized loss was an unrealized gain in a paired long position. Combined, the paired trade resulted in a nominal unrealized loss for the quarter.

INDUSTRY ATTRIBUTION AND EXPOSURES

Below shows the Fund's industry attribution along with the average gross, net, long, and short exposure for the last quarter[18].

	Attribution Q4				Average Exposure Q4			
Industry	**Long**	**Short**	**Total Gross**	**Total Net**	**Long**	**Short**	**Gross**	**Net**
Aerospace & Defense	6.02%	0.00%	6.02%	5.48%	18%	0%	18%	18%
Banks	-0.10%	0.00%	-0.10%	-0.11%	1%	0%	1%	1%
Communications Equipment	2.73%	0.00%	2.73%	2.48%	9%	0%	9%	9%
Electronic Equipment, Instruments & Components	-0.10%	0.00%	-0.10%	-0.11%	4%	0%	4%	4%
Financial Services	0.91%	0.00%	0.91%	0.83%	3%	0%	3%	3%
Health Care Technology	-0.18%	0.00%	-0.18%	-0.20%	1%	0%	1%	1%
Hotels, Restaurants & Leisure	0.28%	-0.77%	-0.49%	-0.53%	2%	-3%	5%	-1%
Interactive Media & Services	0.44%	0.00%	0.44%	0.40%	5%	0%	5%	5%
IT Services	3.24%	0.00%	3.24%	2.95%	13%	0%	13%	13%
Machinery	1.81%	0.00%	1.81%	1.65%	11%	0%	11%	11%
Media	0.01%	0.00%	0.01%	0.01%	5%	0%	5%	5%
Semiconductors & Semiconductor Equipment	3.02%	0.00%	3.02%	2.75%	27%	0%	27%	27%
Software	0.19%	-0.01%	0.18%	0.16%	20%	0%	20%	20%
Index/ETF	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%
Other	-0.14%	-0.19%	-0.33%	-0.36%	1%	0%	1%	1%
Total	**18.13%**	**-0.97%**	**17.16%**	**15.40%**	**120%**	**-3%**	**123%**	**117%**

[18] Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 8—these figures are not properly understood without reference to these disclosures

PORTFOLIO CHARACTERISTICS

During the fourth quarter, the Fund’s net exposure remained relatively stable at 118%, closely aligning with the third quarter’s net exposure of 117% and the second quarter’s net exposure of 116%. Our gross exposure slightly increased to 124%, up from 121%. 2024 ended with continued growth in the AI-driven economy alongside signs of more cyclical industries beginning to bottom as channel inventories deplete. However, with the increased macroeconomic uncertainties surrounding the impact of U.S. trade policies, the Fund has been actively reducing exposure levels across the portfolio.

PORTFOLIO VALUATION

As of December 31st, 2024, the Fund’s top ten investments represented 72% of gross exposure and 89% of equity. The Fund’s top nine positions traded with a portfolio-weighted average valuation of 4.21x EV/sales. Of our top investments, ten have a portfolio-weighted average net cash of 14.8% of their market capitalization, and two companies have net debt and trade at around 13.1x EV/EBITDA (per Bloomberg). These valuations have moved higher again, given the Fund’s performance. Still, we see meaningful upside for the Fund’s underlying investments as they continue to execute on their growth initiatives.

CONCLUSION

In summary, following a strong fourth quarter of outperformance, market volatility has returned as we begin 2025. Under new political leadership, dramatic shifts in U.S. trade and foreign policy appear to be causing uncertainty around discretionary business spending. The role of technology continues to play a greater role in the global economy, driving productivity, enhancing products and services, and creating new markets. The Fund has experienced a slow start to the year, but we remain confident that we are well positioned to capitalize on the resumption of demand in growth markets that will drive a meaningful re-rating and upside across our portfolio as market volatility settles.

As always, please do not hesitate to reach out to us should you have any questions or wish to discuss anything in further detail. We look forward to speaking with you and reporting on our progress in future quarters.

Best regards,

Robert Katz Richard Mashaal

Senvest Technology Partners Master Fund, LP (“Senvest Technology Partners”) Q4 Investor Letter: March 6, 2025

Gross and Net Attribution Figures: Attributions of sector-level performance are shown on a gross basis unless otherwise noted herein ("Gross Attributions"). Gross Attributions reflect the return contribution by the aggregate investments in each Sector for the period indicated (calculated by dividing the gains/losses of the indicated Sector over the portfolio, as applicable), but is calculated prior to the deduction of management fees, expenses and incentive compensation paid to Senvest, which will reduce performance. Net sector attributions ("Net Attributions") reflect Gross Attributions, reduced by a percentage equal to the quotient of the applicable Fund's net return divided by the applicable Fund's gross return in order to approximate a pro forma “net” return. This pro forma return should not be relied upon as a precise metric of the impact of fees and expenses on the performance of each Sector, for the reasons detailed below. Net Attributions are presented pro forma because, although such figures reflect actual performance, these calculations apply management fees, expenses and incentive compensation to each Sector's Gross Attributions, even though each Fund's fees, expenses and incentive compensation are only calculated for the applicable Fund as a whole. Correspondingly, this approximation does not precisely reflect the impact such fees and expenses actually had on the performance of positions included in each Sector. Net Attributions do not take into account the specific impact of leverage and other costs on specific Sectors' performance, nor do they incorporate the differing impact that each investor’s or Fund's high water mark has on specific Sectors. For example, if the Fund as a whole accrued incentive compensation for a given period, the Net Attributions methodology would result in the reduction of Gross Attributions, on a percentage basis, of an amount incorporating that accrued incentive compensation from each Sector's performance, even where a Sector experienced negative performance (and therefore, viewed in isolation, would not have accrued incentive allocation). In addition, expenses are not tracked on a Sector-by-Sector basis, and therefore the Net Attributions shown herein do not reflect an approximation of the precise impact of expenses on specific Sectors' performance—many expenses are incurred on a fund-wide level and do not relate to any specific portion of the investment program. Pro forma performance of this nature is subject to inherent limitations and should not form the basis for an investment decision. Additional information on the risks and limitations of pro forma performance is available upon request.

Unless otherwise noted, all calculations in this report are made by Senvest. All profit and loss, or other performance information is unaudited and is net of fees and expenses based on an investment made at inception. Total returns reflect compounded monthly returns. The distribution of this document in certain jurisdictions may be prohibited or restricted by law; therefore, people in whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks by market capitalization. The Russell 2000 Index represents approximately 8% of the total market capitalization of the Russell 3000 Index. The Nasdaq Composite Index is a market-capitalization-weighted index of all the stocks traded on the Nasdaq stock exchange. This index includes some companies that are not based in the United States.

SENVEST CAPITAL INC.

Management's Discussion and Analysis
December 31, 2024