Afi Properties Ltd
AFI PROPERTIES LTD
Registrar number: 510560188

To: Israel Securities Authority www.isa.gov.il | To: Tel-Aviv Stock Exchange Ltd www.tase.co.il | T930 (Public) | Filed via MAGNA: 12/08/2026 Reference: 2026-01-075410

Report on the financial position

Is this a report of a Periodic report/Quarterly report of an insurance corporation? *No*
Explanation: From the financial statements for the first quarter of 2017, a corporation that is an insurer (that is, previously reported via Form T932) will report via this form and will mark "Yes" in this field; the other corporations may proceed to the following sections.

- Periodic report according to Chapter B of the Securities Regulations (Periodic and Immediate Reports), 1970
- Quarterly report according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970
- Semi-annual report according to Regulation 5D of the Securities Regulations (Periodic and Immediate Reports), 1970

Small corporation
In the reporting period the corporation meets the definition of a "small corporation" *No*
Explanation: According to the definition of "small corporation" as stated in Regulation 5G of the Securities Regulations (Periodic and Immediate Reports), 1970

(1) At the relevant date the following conditions are met in the corporation: _________

(2) The corporation chose to apply the reliefs on the following matters:
- [ ] Reporting on a semi-annual basis
- [ ] Attachment of very material valuations
- [ ] Attachment of financial statements of an associate company
- [ ] Reporting on the effectiveness of internal control
- [ ] The corporation did not adopt any relief

I Periodic report

1. Attached herewith is a Periodic report for the year _________signed on _________.

2. Date of the meeting – if a shareholders' meeting was convened in which the financial statements will be presented: _________.

3. Details of the signatories of the Periodic report:

Name of signatory	Position of signatory	
_________	_________	_________

II Financial statements
4. Attached herewith:

- Periodic report for the year _________
- *Quarterly* report for the period ending on *30/06/2026*.
  Signed on *11/08/2026*.

Do the attached financial statements include a correction of an error by way of correction of comparative figures as a "restatement due to non-material adjustment of comparative figures": *No*
Do the attached financial statements include a correction of a material error by way of "restatement" of comparative figures: *No*

5. Attached is *the reviewing accountant's review report*

Date of the signing of the reviewing accountant on the opinion/review: *11/08/2026*.

6. Name of the auditing accountant's firm

1 *Cost, Forer, Gabbay & Kasierer, Accountants* _________

Name of the signing auditing accountant on the opinion: _________

License number of the auditing accountant: __________________

7. a. The opinion is given in an unqualified wording _________

b. The review report is given in an unqualified wording *Yes*

c. There is an emphasis of matter in the financial statements *No*

Emphasis of matter _________

Quotation of the wording of the emphasis of matter: _________

d. Type of modification or addition to the standard wording:

Explanation: If "No" was marked in Section 7(a) or 7(b), one of the following fields must be marked.

- [ ] Qualification
- [ ] Adverse opinion
- [ ] Disclaimer of opinion

Quotation of the paragraphs that are not required in the standard wording: _________

Explanation: If the auditors' opinion or the review report are not in the standard wording or include additions to the standard wording, detail the modification and present from the auditors' opinion or the review report additional paragraphs that are not required in the standard wording (emphasis of matter, qualification, etc.).

8. Date of approval of the financial statements: *11/08/2026*

9. Details of the signatories of the financial statements:

Name of signatory	Position of signatory
Eitan Bar Zeev	*Chairman of the Board of Directors* _________
Avi Barzilai	*CEO* _________
Anna Dafna	*Chief Financial Officer* _________

10. Details of material associates whose financial statements are attached:

1 Name of company _________

Do the attached financial statements include a correction of an error by way of correction of comparative figures as a "restatement due to non-material adjustment of comparative figures": _________

Do the attached financial statements include a correction of a material error by way of "restatement" of comparative figures: _________

11. Details of jointly controlled companies whose financial statements are attached:

1 Name of company _________

Do the attached financial statements include a correction of an error by way of correction of comparative figures as a "restatement due to non-material adjustment of comparative figures": _________

Do the attached financial statements include a correction of a material error by way of "restatement" of comparative figures: _________

12. Did the corporation apply early adoption of an accounting standard *No*

Explanation: If "Yes" was selected, please specify which accounting standard is involved

____

III Board of Directors' report – presentation

13. a. Attached herewith is the Board of Directors' report signed on *11/08/2026*.

b. Details of the signatories of the Board of Directors' report:

Name of signatory	Position of signatory
Eitan Bar Zeev	*Chairman of the Board of Directors*
Avi Barzilai	*CEO*

c. Does the corporation have obligations that must be disclosed in accordance with Regulations 9D and 38E of the Securities Regulations (Periodic and Immediate Reports), 1970: *No*

For how to complete this section and the exemption given to companies from parallel reporting of Form 126, see Q&A No. 105.37 at the following link: Link

d. Does the company publish separate financial statements ("solo" statements):

- ◯ Yes
- ◯ No

(1). Cash and cash equivalents, securities held for trading and short-term deposits based on data from separate financial statements of the corporation ("solo" statements) (in NIS thousands): *1,441,396*

(2). Cash and cash equivalents, securities held for trading and short-term deposits based on data from consolidated financial statements of the corporation (in NIS thousands): *1,988,957*

Explanation: The data shall include only balances that are not pledged.

e. Disclosure regarding projected cash flows pursuant to Regulation 10(b)(14)(a) of the Securities Regulations (Periodic and Immediate Reports), 1970 (Note: this subsection is not relevant to an insurance corporation):

1. Has the corporation issued debentures held by the public as of the date of signing the report? *Yes*
2. Does one or more of the warning signs set forth in the Regulation apply to the company? *No*

3a. Mark all warning signs applicable to the company:

- ☐ Deficit in equity.
- ☐ Emphasis of matter referring to the financial position of the company, excluding an emphasis of matter regarding significant doubts about the company's ability to continue as a going concern.
- ☐ Deficit in working capital or in working capital for a period of twelve months together with a continuous negative cash flow from operating activities (in the consolidated financial statements as well as in the separate financial statements according to Regulation 9G or Regulation 38D, as applicable).
- ☐ Deficit in working capital or in working capital for a period of twelve months or a continuous negative cash flow from operating activities, and the company's Board of Directors did not determine that this does not indicate a liquidity problem in the company.
- ☐ Emphasis of matter regarding significant doubts as to the company's ability to continue as a going concern.

3b. Complete one or more of the following options according to the consolidated financial statements:

- ☐ The company has a deficit in working capital or in working capital for a period of twelve months.
- ☐ The company has a continuous negative cash flow from operating activities.
- ☐ The company has neither a deficit in working capital nor a deficit in working capital for a period of twelve months, and does not have a continuous negative cash flow from operating activities.

3c. Complete one or more of the following options according to separate financial information (Regulation 9G or 38D, as applicable):

- ☐ The company has a deficit in working capital or in working capital for a period of twelve months.
- ☐ The company has a continuous negative cash flow from operating activities.
- ☐ The company has neither a deficit in working capital nor a deficit in working capital for a period of twelve months, and does not have a continuous negative cash flow from operating activities.
- ☐ The company is not required to publish separate financial information in accordance with Regulation 9G or 38D, as applicable.

4. Mark the clause relevant to the company:

- ☐ The company included in the Board of Directors' report a disclosure regarding projected cash flows due to the existence of a warning sign.

At the end of one of the periods included in the disclosure regarding projected cash flows, is a negative cash balance expected? ________

☐ The Board of Directors of the company determined that the existence of a deficit in working capital or a deficit in working capital for a period of twelve months or a continuous negative cash flow from operating activities does not indicate a liquidity problem in the company.

f. Compliance with financial covenants regarding debentures:

1. Does the corporation comply with all the financial covenants set out in the deeds of trust? *Yes*

2. Does failure to comply with the financial covenants give rise to grounds for immediate repayment of the debentures?

____

g. Details regarding the auditing accountant of the corporation:

1 Total fees paid to the auditing accountant ________for:
Audit services ________________
Services that are not audit services ________________

Note: The total fees paid to the accountant for audit services, services related to the audit, including tax services related to the audit.

Details regarding the auditing accountant of material consolidated subsidiaries:

The data must be entered separately for each accounting firm.

1 Total fees paid to the auditing accountant ________ ________
of material consolidated subsidiaries of the corporation for:
Audit services ________________
Services that are not audit services ________________

ISOX IV Report on internal control

14. Is the company exempt from implementing internal control? *No*

Explanation: If "Yes" was selected, please specify the reason for the exemption from implementing internal control

____

a. An internal control management report in the wording prescribed in the Regulations, updated to the date of the statements, was attached (according to the Ninth Schedule – Periodic report – Regulation 9B; Quarterly report – Regulation 38(c)) *Yes*

If it is not in the wording prescribed in the Regulations, specify the content of the change

____

b. As of the date of this report, internal control was found to be: *Effective*

c. Has the conclusion of the Board of Directors regarding the effectiveness of control changed from the last report submitted (i.e. from effective control to ineffective and vice versa)? *No*

d. Management declarations

1. Has the CEO's declaration been attached in accordance with the standard wording prescribed in the Regulations (Periodic report – Regulation 9B(d)(1); Quarterly report according to Regulation 38C(d)(1)) with emphasis on Sections 1, 4(a) and 5(a)? *Yes*

2. Has the declaration of the senior officer in the finance field been attached, in accordance with the standard wording prescribed in the Regulations – Annual report 9B(d)(2); Quarterly report Regulation 38C(d)(2)? *Yes*

3. Was the wording in Section 4 of the management declarations adapted in accordance with the provisions of the Regulations – Annual report 9B(d)(1)(2); Quarterly report according to Regulation 38C(d)(1)(2), in a case where there is a financial statements committee that is not an audit committee? *No*

4. Are the management declarations signed as required (name of the officer and his/her date of signing as of the date of signing the statements)? *Yes*

V Attached files

15. a. ○ Periodic report in IXBRL format: ________

Regarding the attachment of periodic reports in iXBRL format see the Authority's position here

○ Periodic report in PDF format: Quarterly_report_30062026_isa.pdf *The quarterly report*

b. The following is the file of the very material valuations whose attachment is required under Regulation 8B or Regulation 49 of the Securities Regulations (Periodic and Immediate Reports), 1970, as applicable *Denmark_30062026_isa.pdf*

c. _________Explanation of the information attached in the file: _________

Are the attached PDF files in a textual format that allows search? *Yes*

Do the financial statements include all comparative periods required under accounting standards and the Securities Regulations? *Yes*

VI Financial data (except earnings per share) in: *Thousands ofILS (Israel, New Shekels)*

Representative exchange rate of the reporting currency against the NIS at the end of the reporting period: _________

16. Data from the consolidated statement of financial position

The amounts of assets and liabilities shall be entered as a positive amount, that is with a "+" sign, while amounts that appear in the company's balance sheets in parentheses (such as deficit in equity) shall be entered as a negative amount, that is with a "-" sign.

Assets	
1. Total current assets	*2,594,597*
2. Total non-current assets	*21,073,862*
3. **Total assets**	*23,668,459*
Liabilities	
4. Total current liabilities	*3,342,112*
5. Total non-current liabilities	*12,440,588*
6. **Total liabilities**	*15,782,700*
Equity	
7. Total equity attributable to owners of the parent company	*7,857,357*
8. Non-controlling interests	*28,402*
9. **Total equity**	*7,885,759*
10. **Total equity and liabilities**	*23,668,459*

17. The method of presenting the statement of profit or loss is:

○ Presentation by function of expense

○ Presentation by nature of expense

18. Data from the consolidated statement of profit or loss: *For the three-month period ended on the balance sheet date*

In quarterly reports, the data in the statement of profit or loss for a 3-month period and not for the cumulative period must be completed. In the semi-annual report, the data in the statement of profit or loss for a six-month period must be completed. Negative totals (such as loss from ordinary activities) shall be recorded as a negative amount, that is, with a "-" sign. If the item does not appear in the company's financial statements, select the appropriate checkbox.

1. Revenue	*379,156*
2. Gross profit ☐ Not relevant	*266,865*
3. Profit (loss) from operating activities ☐ Not relevant	*335,659*
4. Profit (loss) before tax	*269,998*
5. Profit (loss)	*208,305*
6. Profit (loss) attributable to:	
6.1 Profit (loss) attributable to owners of the parent company	*207,978*
6.2 Profit (loss) attributable to non-controlling interests	*327*

7. **Earnings per share**

7.1 Total basic earnings (loss) per share	*5.02*
7.2 Total diluted earnings (loss) per share	*5.02*

8. **Total comprehensive income**	*-285,463*
8.1. Comprehensive income attributable to owners of the parent company	*-283,773*
8.2. Comprehensive income attributable to non-controlling interests	*-1,690*

19. Data from the statement of cash flows: *For the three-month period ended on the balance sheet date*

Cash flows used for activities shall be recorded as a negative amount, that is, with a "-" sign

(1) Net cash flows from (used in) operating activities	*179,420*
(2) Net cash flows from (used in) investing activities	*-614,001*
(3) Net cash flows from (used in) financing activities	*159,108*
(4) Effect of exchange rate changes of foreign currency on cash and cash equivalents	*-51,780*
(5) Additional effects not reflected in Sections (1)-(4) above	*0*
Net increase (decrease) in cash and cash equivalents during the period	*-327,253*
Balance of cash and cash equivalents at the beginning of the period	*2,316,211*
Balance of cash and cash equivalents at the end of the period	*1,988,958*

20. a. As of the date of the financial report, is the company a shell company as defined in the TASE Regulations? *No*

b. As of the publication date of the financial report, is the company a shell company as defined in the TASE Regulations? ________

☐ We hereby declare that we have completed the form in accordance with the data in the full financial statements.

Details of the authorized signatories to sign on behalf of the corporation:

	Name of signatory	Position
1	Anna Dafna	*Chief Financial Officer*

Explanation: According to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 1970, a report submitted under these Regulations shall be signed by those authorized to sign on behalf of the corporation. Staff position on the matter can be found on the Authority's website: Click here .

Reference numbers of previous documents on the subject (the reference does not constitute incorporation by reference):

Securities of the corporation are listed for trading on the Tel-Aviv Stock Exchange

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Previous names of the reporting entity: Africa Israel Properties Ltd

Name of electronic reporter: Eran PodemPosition: VP and Legal CounselName of employing company:

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