This document is an unofficial translation of the Company's Board of Directors' Report and certain parts of its 2024 Annual Financial Statement (main reports without notes) from the original report in Hebrew dated March 11, 2025 (Reference Number: 2025-01-015923) (the "Report"). This translation is published for convenience purposes only, while the Hebrew version of the Report is the binding one.

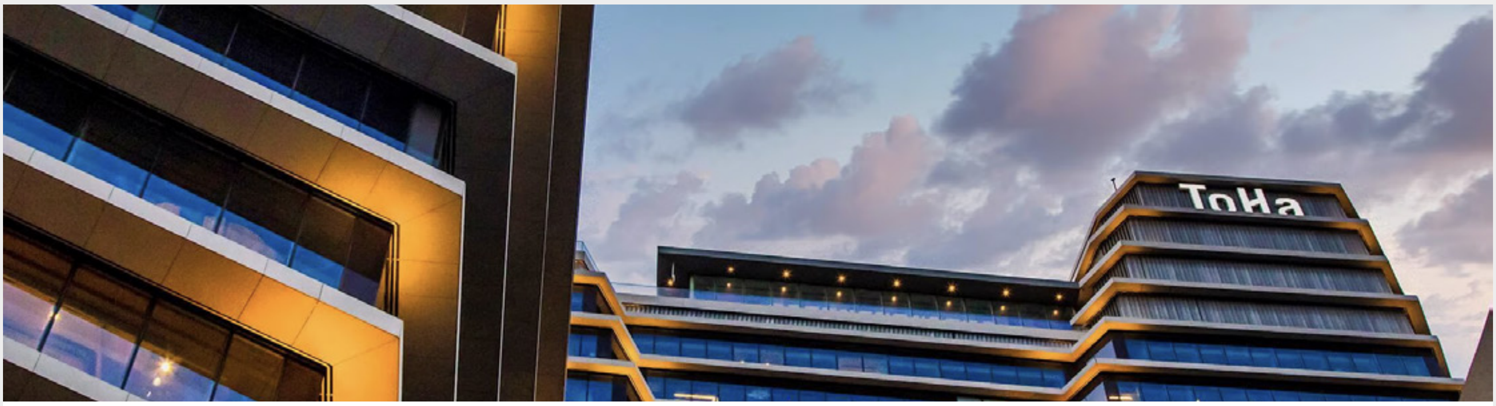
TOHA II / AMOT / TEL AVIV / SIMULATION

PERIODIC REPORT 2024

ALONY HETZ PROPERTIES & INVESTMENTS LTD

AlonyHetz
Properties & Investments Ltd

AMOT / TOHA I / TEL AVIV, ISRAEL



Board of Directors' Report on the State of Corporate Affairs

Consolidated Financial Statements

PERIODIC REPORT 2024

ALONY HETZ PROPERTIES & INVESTMENTS LTD

AlonyHetz
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ATRIUM / AMOT / RAMAT GAN

BOARD OF DIRECTORS' REPORT ON THE STATE OF CORPORATE AFFAIRS

ALONY HETZ PROPERTIES & INVESTMENTS LTD

AlonyHetz
Properties & Investments Ltd

Contents

Ramat Gan, March 10, 2025

Board of Directors' Report on the State of Corporate Affairs for the Year ended December 31, 2024

The Board of Directors of Alony-Hetz Properties and Investments Ltd. (hereinafter - the "Company") is pleased to present the Company's Board of Directors' Report for the year ended December 31, 2024 (hereinafter - the "Reporting Period").

1. Concise description of the Group

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

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

1.1 The Group's main investments in income-generating property as of December 31, 2024:

Activity in Israel

Holdings at a rate of 51.1% in Amot Investments Ltd. (hereinafter - "**Amot**"), a publicly traded income-generating property company whose securities are listed on the Tel Aviv Stock Exchange Ltd. For additional information, please see Section 2.3.4 below.

Activity in the United States

- Holdings at a rate of 47.8%[1] in the capital of Carr Properties (hereinafter - "**Carr**") and 50% of the control. An income-generating property company, all of whose properties are located in the United States in the Washington D.C. area, Boston and Austin. For additional information, please see Section 2.3.5 below.
- Holdings at a rate of 55% of the equity rights and 50% of the control in three property companies in the Boston metropolitan area. Two of the properties are in the Boston CBD and one is in East Cambridge – for further details, please see Section 2.3.7 below.

Activity in the UK

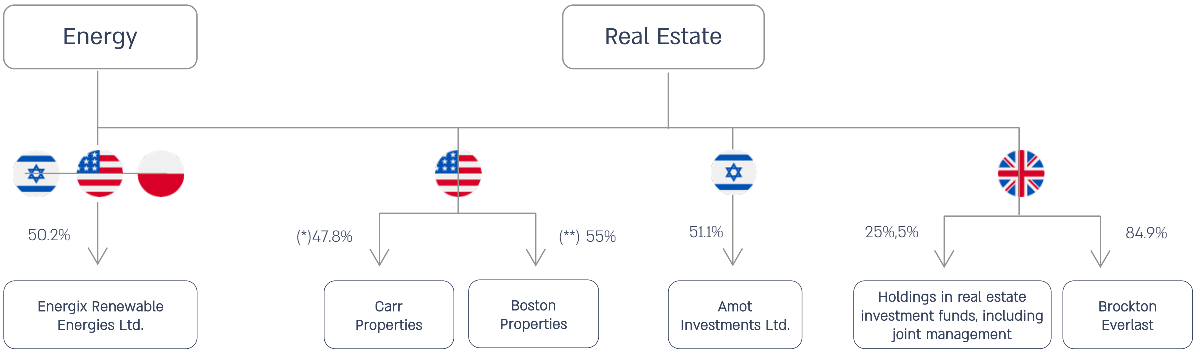
- Holdings of 84.9% in the rights of Brockton Everlast Inc. Limited (hereinafter - "**BE**"), a private company engaged in the purchase, development, betterment, construction, management and maintenance of income-generating property in the London, Cambridge and Oxford metropolitan areas in the UK. For additional information, please see Section 2.3.6 below.
- Holdings in two UK real estate funds from the Brockton Group. For additional information, please see Note 5 to the financial statements.

[1] Holdings of 52.3% in the rights in Carr Properties Holding LP, an American partner that holds (through indirect holdings at a rate of 91.2%) a partnership with real estate holdings in the Boston metropolitan area.

1.2 The Group's investments in the renewable energy field as of December 31, 2024:

Holdings of 50.2% in Energix Renewable Energies Ltd. (hereinafter - "**Energix**"), a public company whose securities are listed for trading on the stock exchange. Energix engages in the planning, development, financing, construction, management and operation of facilities for the generation and storage of electricity from renewable energy sources (photovoltaic systems and wind farms) and the sale of electricity produced in these facilities, with the intention of holding them for the long term. As of the date of the report, Energix has operations in Israel, Poland and the United States. For additional information, please see Section 2.3.8 below.

1.3 The following are the Group's main holdings close to the date of publication of the report:



* The Company and JP Morgan (through SSPF Investment Fund, managed by JP Morgan) have joint control in Carr.

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

1.4 Stock Market Indices

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

1.5 Main events from the beginning of 2024 to the date of publication of the report

Alony-Hetz (the Company expanded solo)	• During the reporting period, the Company issued shares and options (Series 16) exercisable until December 31, 2025 for ordinary shares, in consideration for a total of approx. NIS 1 billion (gross) and for a future consideration (assuming the exercise of all options (Series 16)) in the amount of approx. NIS 338 million, of which shares and options representing 10.23% of the Company's share capital and voting rights (11.26% fully diluted) were allocated to Equity Finance and Investments Ltd.[2], a foreign company in which Mr. Aaron Frenkel holds, directly and indirectly, all of the share capital and voting rights. • From the beginning of 2024 until the date of publication of the report, the Company invested a total of NIS 852 million in investees and in Brockton funds (of which NIS 315 million was for the reduction of the debt and leverage rate in Brockton Everlast). For information, please see Section 2.3.2 below. • During the reporting period, the Company's share of revaluation losses on investment real estate of investee companies amounted to NIS 329 million, of which revaluation gains amounted to NIS 125 million in the fourth quarter of 2024 - for details, please see Section 2.3.3 below. • During the reporting period, the Company exchanged bonds (Series I and J) in the amount of NIS 700 million par value in exchange for bonds (Series L and M) in the total amount of NIS 758 million par value by way of an exchange purchase offer.
Amot Investments	• Signing of a binding lease agreement under which Google will lease approx. 60 thousand sq.m. in the top part of the ToHa 2 Tower for a 10-year lease period, which will begin in the first quarter of 2027. • Purchase of land on Hasolelim Street in Tel Aviv for the construction of an office tower, with an area of approx. 5.6 dunams, for a total of NIS 210 million. Amot is promoting the planning of complexes to strengthen the rights in the complex in cooperation with holders of rights in plots adjacent to the Tel Aviv Municipality.
Carr Properties	• In February 2025, Carr signed a non-binding memorandum of understanding to redeem JPM's holdings in Carr. For additional information, please see Section 2.3.5 below. • A long-term lease agreement was signed with Fannie Mae for the lease of 342 thousand sq.ft. (approx. 32 thousand sq.m.) in the Midtown Center building. • Long-term lease agreements were signed for the lease of approx. 220 thousand sq.ft. (approx. 20 thousand sq.m.) in the Midtown Center building.
Brockton Everlast	• Engagement in refinancing agreements totaling GBP 165 million, replacing loans in the amount of GBP 225 million that were due to be repaid, while raising equity from shareholders. • Completion of a rent review process at the Water Side building, where the tenant's rent on the property increased by approx. 16%, starting from June 2023.
Energix Renewable Energies	• Engagement in a strategic cooperation agreement with Google. • Completion of acquisition transactions with a total capacity of 770 MW + 260 MWh. • Completion of financing agreements and tax partner investment for a project backlog totaling NIS 2 billion. • Completion of the construction and connection of projects with a total capacity of 465 MW + 189 MWh. • Entering into a transaction for the acquisition of a combined photovoltaic and wind project in Lithuania with a capacity of approx. 470MW.

[2] According to information provided by the investor, Equity Finance and Investments Ltd. is a foreign company incorporated under the laws of Malta.

1.6 Summary of the main data - the Group

Main financial results – Consolidated Statement	Unit	2024	2023	2022	% change[3]
Revenue from rental fees and management of investment property	NIS thousands	1,389,184	1,324,063	1,219,178	4.9
Fair value adjustments of investment property	NIS thousands	607,208	(926,169)	685,918	165.6
Group share in the losses of associates, net	NIS thousands	(540,178)	(1,703,997)	(953,589)	68.3
Revenue from sale of electricity and green certificates	NIS thousands	856,210	680,713	525,437	25.8
Net profit (loss) for the year	NIS thousands	249,206	(2,151,838)	338,572	111.6
Net loss for the year attributed to Company shareholders	NIS thousands	(346,199)	(2,392,409)	(281,467)	85.5
Comprehensive loss for the year attributed to Company shareholders	NIS thousands	(443,351)	(2,425,233)	(53,496)	81.7
Total balance sheet	NIS thousands	40,047,643	38,731,166	36,314,037	3.4
Equity (including non-controlling interests)	NIS thousands	11,632,526	11,064,123	13,591,420	5.1
Financial debt (bank credit and bonds)[4]	NIS thousands	22,419,722	22,793,284	19,032,307	(1.6)
Net financial debt[5]	NIS thousands	20,895,396	20,595,607	17,337,606	1.5
Ratio of net financial debt to total balance sheet[6]	%	54.2	56.4	50.1	(3.9)
Main Financial Results – Expanded Solo[7]					
Total balance sheet	NIS thousands	11,329,550	11,647,376	13,311,610	(2.7)
Equity attributed to Company shareholders	NIS thousands	5,413,576	5,002,057	7,709,979	8.2
Financial debt (bank credit and bonds)[4]	NIS thousands	5,825,236	6,774,485	5,513,779	(14)
Net financial debt[5]	NIS thousands	5,183,474	5,749,598	5,027,172	(9.8)
Ratio of net financial debt to total balance sheet[6]	%	48.5	54.1	39.2	(10.4)
Cash flow from the Company's financing activities per share	NIS thousands	454,912	466,035	460,467	(2.3)
Earnings per share data					
Loss per share - basic	NIS	(1.81)	(13.31)	(1.6)	86.4
Comprehensive loss per share - basic	NIS	(2.32)	(13.49)	(0.3)	82.8
Cash flow from the Company's financing activities per share	NIS	2.38	2.59	2.62	(7.5)
Current dividend per share[8]	NIS	0.72	1.28	1.26	(43.8)
NAV per share	NIS	25.18	27.83	42.9	(9.5)
[9]NNAV per share	NIS	29.65	32.78	48.3	(9.5)
Price per share at end of period	NIS	30.40	30.24	35.8	0.5

3. 2024 compared to 2023.
4. Financial debt also includes assets/liabilities of derivative transactions carried out by the Group.
5. Financial debt presented net of cash balances. The Company's financial debt (expanded solo) as of December 31, 2024 is the financial debt less cash balances. For information regarding the adjusted leverage rate, please see Section 2.4.3 below.
6. Net financial debt as a percent of total balance sheet, less cash balances. The Company's net financial debt (expanded solo) as of December 31, 2024 is the financial debt less cash balances. For information regarding the adjusted leverage rate, please see Section 2.4.3 below.
7. In the expanded solo balance sheet, the investment in Amot, Energix and BE is presented on an equity basis instead of the consolidation of their statements with the Company's statements (the remaining investments are presented unchanged in the statement presented in accordance with IFRS principles).
8. The above dividend amount does not include an additional dividend that was paid in 2023 and 2022 (for the years 2022 and 2021) in the amount of NIS 0.18 per share and NIS 0.44 per share, respectively.
9. When calculating the NNAV per share, the Company's tax reserves (expanded solo) were neutralized, as was the Company's share in the tax reserves of investees.

1.7 Summary of the main data - Investees

	Unit	2024	2023	2022	% change[10]
Investment in Israel – Amot Investments Ltd. (rate of holdings - 51.05%)[11]					
Number of income-generating properties	Unit	112	114	114	
Value of investment property (without property in self-development)	NIS thousands	17,294,792	16,730,765	16,521,806	3.4
Weighted discount rate derived from investment property	%	6.42	6.3	6.2	
Occupancy rate at end of period	%	92.3	93.4	94.4	
Value of investment property in self-development	NIS thousands	3,316,001	2,757,003	2,340,645	20.3
Ratio of net financial debt to total balance sheet	%	44.0	44.0	41.9	
NOI[12]	NIS thousands	1,042,713	1,004,406	930,996	3.8
FFO[13] per share	NIS	1.746	1.707	1.604	2.3
NAV per share	NIS	19.44	18.78	18.68	3.5
Price per share at end of period	NIS	20.64	20.00	20.65	3.2
Investment in the United States - Carr Properties (rate of holdings - 47.8%)[14]					
Number of income-generating properties	Unit	12	14	17	
Value of investment property (without property in self-development)[15]	USD thousands	1,976,408	1,707,449	2,835,655	15.8
Rental rate	%	89.40	90.50	89.10	
Number of properties under construction and in planning	Unit	2	2	2	
Value of self-developed properties	USD thousands	48,406	739,887	697,253	(93.5)
Ratio of net financial debt to total balance sheet[16]	%	64	57.7	49.1	
NOI[17, 12]	USD thousands	151,879	163,785	148,670	(7.3)
FFO[17, 13]	USD thousands	62,458	69,539	70,988	(10.2)
Investment in the UK - Brockton Everlast Inc. Limited (rate of holdings - 84.9%)					
Number of income-generating properties	Unit	10	10	13	
Value of investment property	GBP thousands	690,500	699,800	1,081,515	(1.3)
Occupancy rate at end of period	%	97.3	98.3	96.6	
Value of land for initiation and property in development	GBP thousands	421,450	361,750	208,000	16.5
Ratio of financial debt to total balance sheet	%	29.0	36.4	30.7	
NOI12[12]	GBP thousands	42,730	41,315	42,311	3.4
FFO	GBP thousands	12,375	15,229	19,521	(22.3)
Investment in renewable energy – Energix Renewable Energies Ltd. (rate of holdings – 50.2%)					
Installed capacity from connected photovoltaic systems (MWp) - Energix's share	Unit	1,029	978.0	554.0	5.2
Installed capacity from connected wind systems (MW) - Energix's share	Unit	301.2	301.2	245.2	-
Balance of connected electricity-generating facilities - according to book value	NIS thousands	5,674,033	5,216,739	2,910,128	8.8
Price per share at end of period	NIS	12.50	13.36	11.08	(6.4)

10. 2024 compared to 2023.

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

12. Net operating income.

13. Funds from operations.

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

15 As of the end of 2023, including two properties (owned and leased) valued at USD 132 million, and the total liabilities in respect of those properties (which are on a non recourse basis) in the amount of USD 205 million.

16 Carr's financial debt ratio as of the end of 2023 does not include liabilities for which liabilities exceed asset value (which are on a non-recourse basis).

17. Including NOI from the management of properties.

2. Board of Directors' Explanations for the State of Corporate Affairs

2.1 The business environment

For information regarding the business environment in which the Group operates, please see Section A.6 of the chapter Description of the Corporation's Business.

2.2 Statement of Financial Position

Statement of Financial Position Item	31.12.24 NIS millions	31.12.23 NIS millions	Notes and explanations
Cash and cash equivalents	1,524	2,198	For Statement of Cash Flows, please see Section 2.6 below.
Investment property (including investment property held for sale)	25,006	23,897	The increase stems from an investment in properties in development by Amot and BE in the amount of approx. NIS 0.9 billion. In addition, there is an increase stemming from the fair value adjustment of the investment property of BE and Amot in the amount of approx. NIS 0.6 billion. For additional information regarding the Group's investment property - please see Note 4 to the financial statements.
Investments in companies accounted for according to the equity method and securities measured at fair value through profit and loss	2,303	2,773	The following are the main changes in investments: • A decrease due to the Group's share of associates' losses in the amount of approx. NIS 0.5 billion, mainly due to a loss from the fair value adjustment of investment properties of associates (Carr and AH Boston) - For information, please see Section 2.3.3 below. • An increase due to the effects of exchange rates (mainly the USD) in the amount of NIS 15 million. For additional information regarding changes in the balance of the investment in securities measured at fair value through profit and loss and investments in companies accounted for according to the equity method, please see Notes 5 and 6 to the financial statements, respectively. In addition, please see Section 2.3 below.
Electricity-generating facilities - connected and in development	9,943	8,108	Most of the growth in electricity-generating facilities stems from Energix's project investment and initiation in Israel and the US. For information regarding electricity-generating facilities, see Notes 7 and 8 to the financial statements.
Other assets	1,272	1,754	
Total assets	40,048	38,731	
Loans and bonds	22,082	22,132	The following are the main changes: • Raising of bonds and receipt of loans in the amount of NIS 2.6 billion. • Repayment of bonds and long-term loans in the amount of NIS 2.8 billion. For information regarding the main changes in the Group's financial debt, please see Section 2.4.3 below.
Other liabilities	10,321	5,535	
Total liabilities	28,415	27,667	
Equity attributed to shareholders	5,414	5,002	For additional information regarding the main changes in equity attributed to shareholders, please see Section 2.7.2 below.
Non-controlling interests	6,219	6,062	
Total equity	11,633	11,064	
Total liabilities and equity	40,048	38,731	

2.3 Investments

2.3.1 The following are the Company's investments (expanded solo) as of December 31, 2024

	Currency	Number of shares	Balance in NIS thousands	Adjusted value in NIS thousands	Adjusted value measurement basis
Amot	NIS	240,718,672	4,660,711	4,968,433	Stock market value - tradable
Energix	NIS	276,060,936	1,112,313	3,450,762	Stock market value - tradable
Carr	USD	-	1,302,056	1,302,056	Equity method
AH Boston	USD	-	346,381	346,381	Equity method
Brockton Everlast	GBP	-	2,989,406	2,989,406	Equity method
Brockton Funds	GBP	-	218,454	218,454	Equity method
Other[18]			646,163	646,163	
Total			11,275,483	13,921,625	

2.3.2 Investments and realizations in the reporting period

In the reporting period, the Company invested (realized investments) in its investees, as follows:

	2024 NIS millions
Investments:	
Brockton Everlast	526
AH Boston	124[19]
Brockton Funds (Fund III)	84
	734
Investment in Carr - DRIP	118
Total	**852**
Realizations:	
Brockton Funds (Fund II)	(17)
Total	**(17)**

[18] Mainly including cash and cash equivalents in the amount of NIS 642 million.

[19] From the beginning of 2025 to the date of publication of the report, the Company invested an additional amount of NIS 5 million.

2.3.3 Property revaluations

The following is a summary of investment property revaluations recorded by the Group's investees in 2024:

		Profit (loss)	
Geographical region	Currency	Investee's share in millions	Company's share in NIS millions
			Total
Israel (Amot)	NIS	546	278
UK (BE)	GBP	12	38
USA (Carr and AH Boston)	USD	(345)	(645)
Total Company share			**(329)**

In the fourth quarter of 2024, the Company recorded a profit of approx. NIS 125 million in respect of its investees' property revaluations.

For a sensitivity analysis of the impact of a 0.25% change in the weighted cap rate on the value of income-generating properties, please see Note 4d to the financial statements.

2.3.4 Investment in real estate in Israel - through Amot

General:

As of December 31, 2024, Amot's properties, owned or leased, include 112 income-generating properties in Israel with a total area of 1.86 million sq.m. (Amot's share), including 1.16 million sq.m. of above ground rental space and 0.7 million sq.m. of open storage and parking (18,200 parking spaces).

These properties are spread throughout the country, with the majority of Amot's properties (90%) located in the big cities in the center of the country and in high-demand areas. The properties are leased to approx. 1,790 tenants, through contracts of varying durations. In addition, Amot has 5 projects in development amounting to 194 thousand sq.m. above-ground (Amot's share) and 3 projects in planning and initiation stages amounting to 56 sq.m. above-ground (Amot's share). The fair value of investment property in development and rights in land designated for development amounts to NIS 3.3 billion.

The total fair value of all Amot's investment property as of December 31, 2024 is approx. NIS 20.6 billion. The fair value of Amot's income-generating property as of December 31, 2024 is NIS 17.3 billion.

The occupancy rate of all of Amot's properties as of December 31, 2024 is 92.3%[20] (compared to 93.4% as of December 31, 2023). The occupancy rate represents space for which there are signed contracts, some of which are in the process of being populated.

20 The rate of occupancy, not including a property classified from property in development is 92.8%.

Amot's business development in the reporting period and subsequent to the balance sheet date:

- For information regarding Amot's business strategy and its business environment, please see Chapter B, Section 13 and Chapter B, Section 2, respectively, in the report on the Description of the Corporation's Business.
- the Amot NOI amounted to NIS 1,043 million in the reporting period, compared to NIS 1,004 million in the corresponding period, an increase of approx. 4%. The increase stems mainly from an increase in revenue from identical properties.
- During 2024, Amot signed 474 new leases, including option exercises and contract renewals totaling 192 thousand sq.m. in annual rental fees in the amount of NIS 197 million. The spaces were leased at average rental fees (weighted average) per sq.m. approx. 1% higher than the rent generated by these properties until that date.

The following is a summary of data regarding projects in stages of construction as of December 31, 2024:

Property name	Location	Main use	Rate of holdings	Thousands of above-ground sq.m. for marketing, 100%	Estimated completion date	Value of project in Amot's books as of December 31, 2024	Estimated construction cost, including land and parking basements (*)	Expected NOI upon the project's full occupancy (*)
						Amot's share - in NIS millions		
HaLehi Complex [21]	Bnei Brak	Offices	50%	100	2025	604	765	59
K Complex – Jerusalem [22]	Jerusalem	Offices	50%	93	2028	152	775	51
Beit Shemesh Logistic Center - Lower center	Beit Shemesh	Logistics	60%	26	2025	91	105	7
Park Afek	Rosh Ha'ayin	Offices	50%	8	2025	28	40	3
ToHa2	Tel Aviv	Offices	50%	156	2026	1,102	1,650	158
Total				**383**		**1,977**	**3,335**	**278**

(*) Mid-range forecast

The information included in this section above regarding the estimated end of construction date, estimated construction cost and the expected NOI at the time of the project's occupancy constitutes forward-looking information as defined in Section 32A of the Securities Law, as it is impacted by factors that do not depend on the Group such as construction costs, security situation, demand for offices, changes in the City Building Plan that are subject to the approval of the authorities, etc.

For additional information regarding projects in construction stages, see Note 4b to the financial statements.

The following is a summary of data regarding projects in stages of planning and development as of December 31, 2024:

Property name	Location	Main use	Thousands of above-ground sq.m. for marketing, 100%	Rate of holdings	Thousands of above-ground sq.m. for marketing	Value of project in Amot's books	Estimated construction cost, including land and parking basements (*)
					Amot's share - in NIS millions		
Elef Complex	Rishon Letzion	Offices	19	100%	19	36	270
Platinum Stage B[23]	Petach Tikva	Offices	20	100%	20	40	220
Amot Shaul - Stage A	Kfar Saba	Offices	35	50%	18	61	170
Total			**74**		**57**	**137**	**660**

(*) Mid-range forecast

21 As of the date of publication of the report, the commerce floors have been delivered to tenants for adaptation work and several stores have opened to the public. Amot has signed contracts for approx. 8,500 sq.m. (Amot's share - 50%), which are expected to generate annual rent of approx. NIS 14 million (Amot's share - 50%).

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

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

The information included in this section above regarding estimated construction costs constitutes forward-looking information as defined in Section 32A of the Securities Law. The information refers to data existing and known by the Group immediately prior to the publication of the report relating to environmental requirements, on City Building Plan changes subject to approvals of the planning and building authorities, on receipt of consent from owners of bordering properties, for which there is no certainty of being granted, etc. These data are not under the Group's control and therefore there is no certainty these projects will actually be executed.

The following is a summary of data regarding projects in development as of December 31, 2024:

Property name	Location	Main use	Rate of holdings	Value of project in Amot's books (NIS millions)	Additional above-ground area (Amot's share) in sq.m. thousands
Lot 300, Derech Hashalom	Tel Aviv	Housing/offices	50%	134	47 housing units
HaSolelim land	Tel Aviv	Offices	100%	210	80
ToHa3/ToHa4	Tel Aviv	Offices	50%	174	100
Tzrifin Logistic Center	Tzrifin	Logistics	100%	250	200
Others				434	
Total				**1,202**	

The information included in this section above regarding projects in development, including the expected additional above-ground areas, constitutes forward-looking information as defined in Section 32A of the Securities Law. The information refers to data existing and known by the Group immediately prior to the publication of the report relating to environmental requirements, on City Building Plan changes subject to approvals of the planning and building authorities, on receipt of consent from owners of bordering properties, for which there is no certainty of being granted, etc. These data are not under the Group's control and therefore there is no certainty these projects will actually be executed.

Fair value adjustments of investment property

For property revaluations recorded by Amot in the reporting period, please see Section 2.3.3 above.

Amot's FFO

	Amot Investments Ltd.		
	NIS thousands		
	2024	2023	2022
Profit for the year	**919,002**	**682,607**	**1,171,146**
Adjustments:			
Profit from change in fair value of investment property	(570,485)	(256,637)	(1,019,088)
Acquisition costs recognized in profit and loss	23,053	3,300	18,248
Current and deferred tax effects of the above adjustments	154,578	88,263	192,257
FFO - according to the Israel Securities Authority's approach	**526,148**	**517,533**	**362,563**
Management's approach, additional adjustments:			
Depreciation and amortizations	2,850	3,664	3,441
Share-based payment	8,324	6,757	5,746
Linkage differential expenses on the debt principal	285,863	272,559	371,461
FFO - according to the Management's approach	**823,185**	**800,513**	**743,211**
Alony-Hetz's share in FFO - according to the Israel Securities Authority's approach, in NIS thousands	**268,752**	**277,056**	**195,535**
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	**420,476**	**428,547**	**400,823**

(*) The FFO in respect of Amot is presented without excluding intercompany balances.

For additional information regarding the investment in Amot, see Chapter B of the Description of the Corporation's Business and Note 6b to the financial statements.

2.3.5 Investment in Carr

Carr's business development in the reporting period and subsequent to the balance sheet date

Carr engages in the investment, acquisition and developing of income-generating property for rental purposes, including the management and maintenance of office buildings under its ownership in urban areas in the Washington D.C. metropolitan area, in Boston, Massachusetts and in Austin, Texas in the United States.

Carr fully or partially owns 12 income-generating office buildings with a total rental space of 3.3 million sq.ft. (306 thousand sq.m.) (Carr's share) and a value of USD 1.7 billion (Carr's share). The properties are rented to hundreds of tenants for various time periods.

For information regarding Carr's business strategy and its general environment, please see Chapter C.1, Section 8 and Chapter C, Section 1, respectively, in the report on the Description of the Corporation's Business.

Redemption of JPM's holdings in Carr

In February 2025, Carr signed a non-binding Memorandum of Understanding (MOU) with an American institutional real estate investment fund managed by J.P. Morgan Assets Management (which holds 35.5% of the capital and 50% of the control in Carr) (hereinafter - "**JPM**"), according to which, subject to preconditions, Carr will redeem JPM's holdings in Carr in exchange for the transfer of full ownership of 3 Carr properties to JPM free of any debt (hereinafter - the "**transaction**").

If and to the extent that the transaction is finalized into a binding agreement, the Company's holdings in Carr will increase from 47.8% to 77.2%, and Carr will be consolidated into the Company's reports.

As part of the preparations for the transaction, Carr intends to continue the process it began for the sale of 2 properties, for a total of USD 100-110 million, and at the same time to advance a refinancing process for 4 properties under it's ownership, with the aim of replacing loans due in 2026 with new loans at long-term rates.

Following the transaction, Carr will retain ownership of, among other things, the Trophy properties it built, including One Congress in Boston, Midtown Center, The Willson, and 1700 NY in Washington, D.C., which increases Carr's occupancy rate from approx. 89% (effective as of the end of 2024) to approx. 92%. Without taking into consideration any potential changes in the value of Carr's portfolio, the increase in the relative weight of Carr's Trophy properties in its portfolio is expected to reduce the weighted discount rate from 7.5% (effective as of the end of 2024) to 7.2%.

During 2025, the Company intends to inject USD 100 million into Carr's equity, which Carr will use, among other things, to complete the aforementioned redemption transaction, including the expansion of its business, with an emphasis on new ventures.

Prior to the execution of the above, and without taking into consideration possible changes in the value of Carr's asset portfolio, if any, and in accordance with Carr's business plan, Carr's equity is expected to be approx. USD 600 million by the end of 2025 and its leverage ratio is expected to be approx. 60%.

The information regarding the feasibility of the transaction's completion, including Carr's sale of the properties, the Company's actual injection of capital into Carr, the projected weighted rental rate, the equity upon completion of the transaction and the projected leverage ratio, is forward-looking information within the meaning of the Securities Law, 1968. Such information is based on estimates by the Company and Carr and there is no certainty that they will materialize in full or in part, due, among other things, to factors beyond the control of the Company or Carr.

Midtown Center building – Washington D.C.

As of the date of the report, Carr leases 714 thousand sq.ft. of office space at Midtown Center to Fannie Mae, the property's main tenant.

In the fourth quarter of 2023, Fannie Mae exercised several options to gradually reduce the area by 149 thousand sq.ft. (between May 2026 and May 2028), as well as to terminate the lease agreement early on the remaining area (565 thousand sq.ft.) in May 2029 (instead of May 2033), in exchange for a total compensation payment to Carr of USD 71 million, which is recognized as income over the remaining lease term.

During the year, Carr entered into several new lease agreements totaling approx. 594 thousand sq.ft. (a binding lease agreement with Fannie Mae for the re-lease of approx. 342 thousand sq.ft., for a period of 16 years beginning in May 2029, and the leasing of an additional 237 thousand sq.ft. to several tenants under long-term lease agreements).

Residential rental activity

In February 2024, Carr completed a transaction for the acquisition of 425 Montgomery Street, located in Northern Virginia, for USD 20 million. Subsequent to the date of the report, Carr completed the demolition of the structure existing on the site and as part of its plan to construct a new residential rental building. Carr is the managing partner of the project (GP 100%) and is also an "equity" partner at a rate of 10% (LP 10%).

Realization of properties

In the first half of 2024, Carr made several moves to realize three properties, following which Carr recorded gains of approx. USD 81 million (the Group's share - approx. USD 39 million).

For additional information regarding Carr's business development during the reporting period and subsequent to the balance sheet date, see Note 6g(3) and (4) to the financial statements.

Fair value of investment property

For property revaluations recorded by Carr in the reporting period, please see Section 2.3.3 above.

Carr's FFO

	FFO - Carr		
	USD thousands		
	2024	2023	2022
Loss for the year	**(145,080)**	**(757,718)**	**(463,417)**
<u>Adjustments</u>:			
Loss (profit) from change in fair value of investment property	129,392	573,670	499,885
Depreciation and amortizations	6,433	5,890	4,087
Current and deferred tax effects of the above adjustments	1,921	(35)	1,154
Adjustments as detailed above in respect of associates	74,725	273,924	51,290
FFO - according to the Israel Securities Authority's approach	**67,391**	**95,731**	**92,999**
Attributed to non-controlling interests	1,643	468	1,490
Adjustments stemming from the non-controlling interests' share in FFO	(6,576)	(26,660)	(23,501)
FFO - according to the Israel Securities Authority's approach attributed to Company shareholders	**62,458**	**69,539**	**70,988**
FFO - according to the Management's approach	**62,458**	**69,539**	**70,988**
<u>The following is a breakdown of the FFO according to the Management's approach</u>:			
NOI	137,168	153,481	142,750
Administrative and general expenses	(7,843)	(9,271)	(15,293)
Financing expenses	(66,867)	(74,671)	(56,469)
FFO - according to the Management's approach	**62,458**	**69,539**	**70,988**
Alony-Hetz's share in FFO - according to the Israel Securities Authority's approach, in NIS thousands	**110,216**	**120,792**	**109,082**
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	**110,216**	**120,792**	**109,082**

Carr's financial debt

For information regarding Carr's financial debt, please see Section 2.4.3 below.

Additional Information

For additional information regarding the investment in Carr, please see Chapter C1 of the Description of Corporate Business and Note 6f to the financial statements.

2.3.6 Investment in BE

BE's business development in the reporting period and subsequent to the balance sheet date

For information regarding BE's business strategy and its general environment, please see Chapter D, Section 18 and Chapter D, Section 2 in the report on the Description of the Corporation's Business.

The following is a summary of data regarding a project in advanced planning stages as of December 31, 2024

Property name	Location	Main use	Rate of holdings	Thousands of above-ground sq. ft. for marketing, 100%	Estimated start date	Estimated completion date	Estimated construction costs, including land	Project cost in BE's books as of December 31, 2024	Balance for completion of construction costs as of December 31, 2024	Expected NOI upon project occupancy
							GBP millions			
Dovetail Building	City of London	Offices	100%	453	2025	2029	670-720	140	530-580	50-55

The information detailed in this Section 2.3.6 above regarding the estimated construction completion date, the expected construction costs and the expected NOI upon the project's occupation is forward-looking information as defined in Section 32A of the Securities Law as it is influenced by factors that are not dependent on BE, such as construction costs, regulatory changes, environmental aspects and more.

Fair value of investment property

For property revaluations recorded by BE in the reporting period, please see Section 2.3.3 above.

BE's financial debt

As of December 31, 2024, BE had loans from banking corporations totaling GBP 370 million (Carr's share) at an average duration of 1.8 years. The entire debt bears fixed interest.

In 2026, BE is expected to repay loans from banking corporations totaling approx. GBP 260 million.

For information regarding BE's financial debt, please see Section 2.4.3 below

BE's FFO

	FFO - BE		
	In GBP thousands		
	2024	2023	2022
Loss for the year	**(26,942)**	**(256,311)**	**(45,412)**
Adjustments:			
Loss (profit) from change in fair value of investment property	(11,940)	251,569	72,446
Loss or reversal of an impairment loss according to IAS 36 (including impairment of an investment measured according to the equity method) or profit from a purchase at a bargain price	42,800	10,769	-
Loss (profit) from changes in fair value or sale of financial instruments	4,480	7,557	(10,182)
Current and deferred tax effects of the above adjustments	1,495	(384)	110
FFO - according to the Israel Securities Authority's approach, in GBP thousands	**9,893**	**13,200**	**16,962**
Management's approach, additional adjustments:			
Depreciation and amortizations	527	370	311
Share-based payment	2,314	2,088	2,419
Adjustment of tax expenses or income resulting from all of the above adjustments	(359)	(429)	(169)
FFO - according to the Management's approach, in GBP thousands	**12,375**	**15,229**	**19,523**
The following is a breakdown of the FFO according to the Management's approach:			
NOI	42,730	40,639	42,006
Administrative and general expenses	(12,816)	(12,460)	(14,424)
Financing expenses	(20,006)	(17,005)	(12,979)
Management fee revenue from Brockton Funds	2,467	4,055	4,920
FFO - according to the Management's approach, in GBP thousands	12,375	15,229	19,523
Alony-Hetz's share in FFO - according to the Israel Securities Authority's approach, in NIS thousands	**39,208**	**50,142**	**59,441**
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	**49,032**	**58,041**	**68,391**

For additional information regarding the investment in BE, see Chapter D of the Description of the Corporation's Business and Note 6d to the financial statements.

2.3.7 Investment in AH Boston

745 Atlantic building - As of the date of the report, the conversion of the 745 Atlantic building from an office building to a life science laboratory building has been completed, with the exception of tenant adaptation work, which is budgeted at USD 34 million. As of the date of publication of this report, no space has been leased yet in the building.

Summer 125 building - Subsequent to the balance sheet date, the main tenant in the building expanded the lease agreement by an additional 100 thousand sq.ft. and extended its total lease agreement by 256 thousand sq.ft. until 2033.

The information included in this section above regarding the adaptation work budget constitutes forward-looking information as defined in Section 32A of the Securities Law.

AH Boston's FFO

	FFO – AH Boston		
	USD thousands		
	2024	2023	2022
Loss for the year	**(136,952)**	**(139,540)**	**(105,116)**
Adjustments:			
Loss from change in fair value of investment property	142,942	152,105	117,651
Depreciation and amortizations	5,202	5,835	4,555
Loss from changes in fair value or sale of financial instruments	3,498	1,496	-
FFO - according to the Israel Securities Authority's approach	**14,690**	**19,896**	**17,090**
FFO - according to the Management's approach	**14,690**	**19,896**	**17,090**
The following is a breakdown of FFO according to the Management's approach:			
NOI	28,510	30,631	27,956
Administrative and general expenses	(1,122)	(1,092)	(1,139)
Financing expenses	(12,698)	(9,643)	(9,727)
FFO - according to the Management's approach	**14,690 (*)**	**19,896**	**17,090**
Alony-Hetz's share in FFO - according to the Israel Securities Authority's approach, in NIS thousands	**29,869**	**40,351**	**31,604**
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	**29,869**	**40,351**	**31,604**

(*) The amount includes a cash flow deficit of USD 3 million in respect of operating expenses and interest on a project in development (Atlantic 745) that has not yet been leased.

AH Boston's financial debt

For information regarding AH Boston's financial debt, please see Section 2.4.3 below.

For additional information regarding the investment in AH Boston, please see Chapter C2 of the Description of Corporate Business and Note 6h to the financial statements.

2.3.8 Renewable energy investments through Energix

Energix's business development in the reporting period and subsequent to the balance sheet date:

- As of the date of the report, the total capacity of Energix's systems amounts to approx. 1.3 GW and 189 MWh (storage) in commercially operating projects, approx. 761 MW and 206 MWh (storage) in projects in development or pre-construction, and approx. 843 MW and 121 MWh (storage) in projects in advanced initiation. In addition, the company has photovoltaic and wind energy projects in initiation with a capacity of approx. 5 GW and storage projects in initiation with a capacity of approx. 10.6 GWh.
- During the reporting period, Energix increased its backlog of photovoltaic and storage projects, in various stages of initiation, through M&A transactions, with a total capacity of approx. 770 MW + 260 MWh, which are expected to start construction and commercial operation in 2025-2027, of which, projects with a capacity of approx. 260 MW are in the development and/or pre-construction stages and 510 MW are in the advanced initiation stage. Subsequent to the reporting date, Energix signed a transaction for the acquisition of a first project in Lithuania with a total capacity of up to 470 MW. For information, please see below.
- During the reporting period, Energix reported an increase of approx. 32% in revenue, approx. 30% in EBITDA and approx. 33% in net profit for 2024 compared to 2023. Energix's revenue for 2024 amounted to approx. NIS 898 million, compared to revenue of approx. NIS 682 million in the corresponding period last year. The increase in revenue stems from the increase in the capacity of the project backlog in commercial operation. Energix's net profit in 2024 amounted to approx. NIS 338 million compared to a net profit of approx. NIS 258 million in 2023, an increase of 31%.
- Energix expects revenue in 2025 in the range of NIS 800-850 million and project-based EBITDA in the range of NIS 630-680 million;
- It should be clarified that Energix's forecasts for 2025 include a decrease in revenue of approx. NIS 130 million compared to 2024 in view of the expiration of price-fixing transactions in Poland that were carried out at significantly higher price levels in 2022-2023. Energix's forecasts for 2025 are based, among other things, on the electricity prices set in electricity sales agreements in the three territories, including hedging agreements, tariff tenders and forward prices in Poland and the United States.

  For information regarding Energix's forecast for 2025, please see Section 12 of Chapter 5 of the report on the Description of the Corporation's Business.
- **Strategic Collaborations** - During 2024, Energix continued to expand and consolidate its strategic collaborations:
  - **Energix's collaborations in the US market** - During 2024, Energix signed a collaboration agreement with Google for the sale of electricity and provision of a tax partner investment for Energix's projects in the US market. This agreement, combined with the framework agreement with First Solar for the supply of panels and collaborations with leading financial institutions around the world, constitute a unique operational infrastructure that creates a competitive advantage for Energix in the US market and enables it to implement the development plan and connect the backlog of projects under its ownership. For additional information, please see Note 8e to the financial statements.
  - **Signing of a strategic cooperation agreement with SMA AG** - During the reporting period, Energix entered into a cooperation agreement with SMA, a German inverter manufacturer, a world leader, with which Energix has been working since its establishment. As part of the cooperation, Energix is expected to purchase inverters from SMA with a capacity of at least 1.5 GW for future projects that it intends to establish during the years 2025-2029 in Israel and Poland. Similar to Energix's existing long-term cooperation system, this agreement is intended to ensure the availability of inverters for Energix at attractive prices, for future projects that it is expected to establish.
  - **Cooperation agreement with First Solar** - please see details below.

Energix's financial debt

- Energix's gross financial debt as of the date of the report, not including short-term credit, amounts to NIS 5.2 billion, the total duration of the debt is 6.76 years.
- Financing transactions totaling approx. NIS 2 billion in the US, Poland and Israel - During the reporting period and up to the date of approval of the report, Energix entered into project financing transactions totaling approx. NIS 3 billion in Israel, Poland and the US. Energix is also in various stages of negotiations to obtain project financing and an additional tax partner investment of up to NIS 3 billion. The financing transactions are used by Energix to finance the projects' construction and/or to repay capital that Energix provided in excess, which it will use to establish additional projects.

United States

- For information regarding geopolitical trends and changes in the US electricity market, please see Section 2.1 of Chapter 5 of the report on Description of the Corporation's Business.
- **Cooperation Agreement with First Solar** - In Energix's cooperation agreement with First Solar, Energix has guaranteed itself the availability and regular supply of US-manufactured panels at attractive prices, also for its future activities for projects currently in initiation, until 2030 (especially in view of the trend of rising prices due to the imposition of tariffs on imports from Asia as described above). Energix estimates that the purchase of panels from First Solar will enable it to meet the criteria necessary to be eligible for an additional tax benefit (ITC) at a rate of 10% for local production in addition to 30%, in accordance with the provisions of the IRA Law, as they are as of the date of approval of the report.
- **Increase in the project backlog in commercial operation and the start of new construction** - In the first quarter of 2024, Energix completed the construction and connection of the E3 project backlog with a total capacity of 412 MWp. In addition, as of the date of approval of the report, Energix is in the midst of construction work on additional photovoltaic projects with a capacity of approx. 481 MWp, which are expected to reach commercial operation by the end of 2025.
- **Tax benefits for the use of local equipment in the E3 backlog** - As of the date of approval of the report, Energix estimates that it is entitled to an additional amount of up to USD 60 million from the realization of a tax benefit for the use of local equipment, subject to the publication of the mandatory regulations in this regard and the approval of the tax partners (including approval to amend the tax reports of the projects for 2023).

Poland

- **Establishment of the first project and expansion of the storage project backlog** - Energix has started construction work on its first stand alone storage project with a capacity of approx. 48 MWh, which is the first storage project in Poland and is expected to reach commercial operation in the second half of 2025. In connection with the above-mentioned project, Energix won a tender in December for the availability of supply of approx. 8.5 MWh starting in 2029, at a price of approx. 265 PLN/KWh index-linked for 17 years. Energix has another stand alone storage project, with a capacity of approx. 53 MWh, which is in advanced initiation and is expected to begin construction in the second half of 2025. In addition, during the reporting period, Energix received connection permits for storage projects with a capacity of approx. 260 MW (approx. 520 MWh), doubling its initial backlog.

Lithuania

- **Acquisition of a first project in Lithuania** - Subsequent to the date of the report, Energix entered into an agreement to acquire a project for the construction of a wind farm with a capacity of up to 140 MW and a photovoltaic facility with a capacity of up to 330 MWp in Lithuania, which borders Poland, as part of Energix's expansion of operations in Poland. Completion of the transaction is subject to the sellers completing milestones making the project ready for immediate construction within a few months. The project will be acquired for a consideration of approx. EUR 25 million, of which 80% will be paid upon finalization and the remaining 20% upon completion of the actual construction work. If the transaction is finalized, Energix estimates that construction work on the project will begin during the second half of 2025.

Israel

- Energix is in the midst of construction work on projects with a total capacity of approx. 163 MW + 140 MWh, which are expected to reach commercial operation by the end of 2025.
- As of the date of publication of the report, photovoltaic projects with combined storage at a total capacity of approx. 53 MW + 190 MWh have reached commercial operation, which operate within the framework of market regulation under the agreement with Electra Power. In addition, Energix is working to obtain the necessary permits for the connection of stand alone storage facilities at its existing sites. For information, please see Note 8a(2) to the financial statements.
- Construction work on a wind farm in the Golan Heights with a capacity of approx. **104 MW (Aran Project):** In view of the ceasefire agreement and the lull in fighting in the north and the geopolitical changes in Syria, Energix is examining its alternatives and is preparing to resume construction work. For additional information regarding the Aran Project, and an impairment test carried out by Energix, please see Note 8b to the financial statements.

That stated in Section 2.3.8 above, in connection with projects under construction and planning, is forward-looking information as defined in Section 32A of the Securities Law, based on information held by Energix and on the assessments and plans of Energix's management and for reasons that are not under Energix's control, such as: receipt of permits, compliance with mandatory deadlines in competitive procedures, changes in the construction costs of systems, unexpected expenses, and more. It may not be realized and/or not in the manner described above.

For additional information regarding Energix's business development in the reporting period and subsequent to the balance sheet date, please see Chapter E of the Description of the Corporation's Business and Notes 7 and 8 to the financial statements.

For additional information regarding the Company's investment in Energix, please see Chapter E of the Description of the Corporation's Business and Note 6e to the financial statements.

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

	For the year ended December 31 (unaudited)	
	2024	2023
	NIS thousands	NIS thousands
Accounting EBITDA	625,934	479,541
Lease expenses (IFRS 16)	(30,396)	(20,185)
Other revenue/expenses, including initiation expenses	10,046	16,881
Administrative and general	135,090	91,564
Total	740,675	567,801

2.3.9 Dividend receipts

The following are the dividends received from the Company's main investments (expanded solo) in 2024 and the projected receipts of dividends for 2025:

	2024 Actual In NIS millions	2025 Forecast In NIS millions	Additional information in the financial statements
Amot	313	315	Note 6c(3)
BE	51	48	Note 6d(3)
Energix	166	110	Note 6e(3)
AH Boston	27	29	
Total cash dividend	557	502	
Carr – Dividend Reinvestment Plan[24]	118	118	
Total dividend	675	620	

The dividend receipt forecast for 2025 is calculated in accordance with the declared dividend distribution policy of each of the companies mentioned above, and is based on the Company's existing investment portfolio as of the date of publication of this report.

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

The main change between the 2025 forecast and the dividends actually received in 2024 stems from an additional dividend distributed by Energix in 2024 in the amount of NIS 55 million (the Company's share).

The Carr dividend listed above for 2025 does not take into account the non-binding understanding to redeem JPM's holdings in Carr, if such is realized. For additional information, see Section 2.3.9 below.

The information on dividend receipts for 2025 constitutes forward-looking information in accordance with Section 32A of the Securities Law, 1968, in view of the fact that there is no certainty that the authorized bodies of the investees will actually approve the dividend distributions, and this is at their sole discretion.

2.3.10 Management fee receipts

The following are the management fees received by the Company (expanded solo) in 2024 and the projected receipts of management fees for 2025:

	2024 Actual In NIS millions	2025 Forecast In NIS millions	Additional information in the financial statements
Amot	11	11[25]	Note 6c(4)
Energix	11	11	Note 6e(5)
Total	22	22	

2.4 Liquidity and financing sources

2.4.1 Cash and credit facilities

As of December 31, 2024, the Group has cash balances in the amount of approx. NIS 1.5 billion (of which the Company's expanded solo balance is approx. NIS 0.6 billion).

24 As part of the Company's choice to participate in Carr's DRIP program, the dividend amount to which the Company is entitled in Carr remains after its receipt and reinvestment.

25 Subject to approval of the management agreement by the authorized bodies of the Company and Amot, please see Note 6d(4).

In addition, as of December 31, 2024, the Group has unutilized lines of credit[26] in the amount of approx. NIS 2.3 billion (of which the Company's expanded solo lines of credit - NIS 550 million). Subsequent to the date of the statement of financial position, a credit line in the amount of NIS 250 million was exchanged for a credit line of NIS 200 million.

2.4.2 Unencumbered assets

As of December 31, 2024, the Company's assets (expanded solo) are not encumbered. The balance of the Company's assets (expanded solo) (not including cash and other current assets) is in the amount of NIS 10.6 billion (a market value of NIS 13.3 billion). As of December 31, 2024, Amot has a balance of unencumbered assets in the amount of approx. NIS 19.9 billion.

2.4.3 Financial debt

As of December 31, 2024, the Group's net financial debt amounted to NIS 20.8 billion, constituting 53.4% of all Group assets, compared to a net financial debt of NIS 20.6 billion, constituting 56.4% of the Group's assets, as of December 31, 2023.

As of December 31, 2024, the Company's (expanded solo) net financial debt amounted to NIS 5.2 billion, constituting 48.5% of the Group's total assets (expanded solo), compared to net financial debt of NIS 5.7 billion, constituting 54.1% of the Company's assets (expanded solo), as of December 31, 2023.

The Company's adjusted leverage rate (expanded solo) based on the stock exchange value of the Company's tradable holdings as of December 31, 2024 and close to the date of publication of the report amounts to 39% and 41.6%, respectively.

During the reporting period, the Company (expanded solo) carried out the following:

- In the reporting period and subsequent to the balance sheet date, the Company signed agreements to extend existing credit facilities. For additional information, please see Note 12a to the financial statements.
- During the reporting period, the Company exchanged bond Series I and J in a total amount of NIS 700 million PV with a weighted duration of 1.1 and a weighted effective interest rate of 5.21% in exchange for bond Series L and M, respectively, in a total amount of NIS 758 million PV with a weighted average duration of 5.39 and a weighted effective interest rate of 4.97% through an exchange purchase order (for additional information, please see Note 11 to the financial statements).

During the reporting period and subsequent to the balance sheet date, investees carried out the following:

Amot

- During the reporting period, Amot raised debt through an issuance of new bonds (Series I) and (Series J) and an expansion of existing bonds in a total amount of NIS 563 million PV for net proceeds of NIS 555 million. For additional information regarding the bonds, please see Note 11 to the financial statements.
- In December 2024, Amot exchanged NIS 500 million PV of bonds (Series D) (constituting 48% of the total bonds (Series D) in circulation) in exchange for NIS 574 million PV of bonds (Series I), and NIS 107 million PV of bonds (Series E) (constituting 25% of the total bonds (Series E) in circulation) in exchange for NIS 105 million PV of bonds (Series J), by way of an exchange purchase offer. For additional information, see Note 11 to the financial statements.

Carr

During the reporting period, Carr repaid loans totaling USD 209 million (NIS 752 million) through the sale of properties, as detailed in this section above. At the same time, Carr repaid the remaining debt of USD 61 million in respect of the NY 1700 building through the utilization of a credit facility. As of December 31, 2024 and close to the date of publication of the report, Carr's unutilized credit facility balance is approx. USD 225 million, and assuming the exercise of the credit facility extension option, Carr has no loans due until mid-2026.

As of December 31, 2024, Carr and its investees had loans from banking corporations and a utilized credit facility totaling USD 1.3 billion (Carr's share) at a weighted interest rate of 3.98% and for an average duration of 1.84 years.[27] Of the above amount, 61.9% bears fixed interest.

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26 The amount includes Energix's credit facilities, immediately withdrawable in the amount of NIS 0.5 billion (not including the Aran project loan).

27 Does not include a lease commitment in accordance with IFRS 16 in the amount of USD 148 million in respect of ground lease agreements.

AH Boston

As of December 31, 2024, the Boston Partnerships have long-terms loans, with a balance, as of December 31, 2024, in the amount of approx. USD 366 million (approx. NIS 1.3 billion) at 5.82% weighted interest (after taking into account the interest-fixing transaction).

Subsequent to the reporting period, an agreement in principle was signed that constitutes an outline for a new loan (a replacement for the existing loan, whose balance at the end of 2024 was USD 160 million with a maturity date of July 2025), the amount of which at the time of its issuance will be USD 133 million with a maturity date (including the extension option) of July 2029. According to the agreement, the loan amount may be increased up to a total amount of USD 180 million, depending on the future pace of rentals. The new loan will bear 7% annual interest. In order to obtain the above loan, the Company and Oxford Properties will inject a cumulative total of USD 27 million, which will be used to repay the existing loan.

BE

During the reporting period and subsequent to the balance sheet date, BE entered into three agreements to refinance maturing loans:

- In March 2024, BE took a loan of GBP 75 million, replacing a loan of GBP 132 million. The loan principal is due for repayment in June 2028.
- In March, BE took a loan of GBP 45 million, replacing a loan of GBP 47 million. The loan principal is due for repayment in October 2026 (except for the repayment of GBP 8.5 million, which was repaid in October 2024).
- Subsequent to the date of the report, BE took a loan in the amount of GBP 45 million, replacing a loan of GBP 46 million. The loan principal is due for repayment in February 2029.

For additional information, please see Note 12e to the consolidated financial statements.

Energix

- In December 2024, Energix signed a financing transaction for the establishment of the E4 project backlog of up to USD 225 million with a consortium of 3 banks. The transaction includes a back leverage loan for all projects and a bridge loan for a tax partner investment in relation to 2 projects with a capacity of approx. 140 MWp[28]. In December, Energix completed a withdrawal of USD 95 million from the total facility of its back leverage loan.
- In August 2024, Energix completed a transaction for the receipt of financing in a total amount of PLN 830 million (approx. NIS 780 million) for the Banie 1+2 and Ilawa wind farms with a total capacity of 119 MW.
- For additional information regarding Energix's material project financing frameworks as of the date of the report, please see Note 12c to the financial statements.

As of December 31, 2024 and close to publication of the report, no reason has arisen for the Group's loans and bonds to be made immediately repayable.

For information regarding the Group's reportable substantial credit, please see Chapter F, Section 5.2 in the Description of the Corporation's Business.

For additional information regarding the Group's liabilities, please see Notes 11 and 12 to the financial statements.

28 The cost of establishing the 3 remaining projects with a capacity of approx. 70 MWp, which are in the final construction stages was financed by Energix from its equity and is expected to be returned to Energix against receipt of the tax partner's investment in the 3 projects during the first quarter of 2025.

2.4.4 Raising capital

During the reporting period, the Company (expanded solo) carried out the following:
During the reported period, the Company issued approx. 35 million ordinary shares of NIS 1 PV and approx. 10 million options (Series 16) exercisable for the Company's shares, for total immediate proceeds of approx. NIS 1 billion (and future proceeds, assuming the exercise of the options, of approx. NIS 338 million, subject to adjustments). For additional information, please see Note 17b to the financial statements.

2.4.5 Working capital deficit

The working capital deficit as of December 31, 2024 amounted to a total of NIS 2 billion in the consolidated financial statements. As of December 31, 2024, the Group has a high balance of unutilized long-term credit facilities and a high balance of unencumbered assets. In view of this, the Company's Board of Directors believes that the existence of a working capital deficit does not indicate a liquidity problem.

2.5 Operating results

In the reporting period, the Group recorded a net profit of approx. NIS 249 million, compared to a net loss of approx. NIS 2,151 million in the corresponding period last year. The portion attributed to the Company's shareholders amounted to a loss of NIS 346 million in the reporting period, compared to a loss attributed to the Company's shareholders of NIS 2,392 million in the corresponding period last year.

In the reporting period, the Group recorded comprehensive income of approx. NIS 118 million, compared to a comprehensive loss of approx. NIS 2,098 million in the corresponding period last year. The portion attributed to the Company's shareholders amounted to a loss of NIS 443 million in the reporting period, compared to a loss attributed to the Company's shareholders of NIS 2,425 million in the corresponding period last year.

For an explanation of the operating results in the reporting period, please see Sections 2.5.2 and 2.5.3 below.

For information regarding property revaluations recorded by the Group in the reporting period, see Section 2.3.3 above.

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

	2024	2023	2022	Q4.2024	Q3.2024	Q2.2024	Q1.2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Revenues and profits							
Revenue from rental fees and management of investment property	1,389,184	1,324,063	1,219,178	352,525	360,977	344,204	331,478
Fair value adjustments of investment property	607,208	(926,169)	685,918	293,967	301,614	84,999	(73,372)
Group share in the losses of associates, net	(540,178)	(1,703,997)	(953,589)	(62,434)	(60,665)	(97,905)	(319,174)
Net losses from investments in securities measured at fair value through profit or loss	(227,508)	(17,299)	(1,351)	(102,182)	(114)	(107,833)	(17,379)
Profit from decrease in rate of holding, from purchase and realization of associates	23	449	20,391	10	1	2	10
Revenue from sale of electricity and green certificates	856,210	680,713	525,437	210,583	209,561	213,518	222,548
Other revenue, net	26,010	1,199	2,089	21,543	811	991	2,665
	2,110,949	**(641,041)**	**1,498,073**	**714,012**	**812,185**	**437,976**	**146,776**
Costs and Expenses							
Cost of investment property rental and operation	180,460	168,894	146,800	46,964	47,463	48,899	37,134
Initiation, maintenance and operation costs of electricity-generating facilities	121,400	110,801	56,141	20,123	40,145	29,450	31,682
Depreciation and amortizations	228,141	159,963	112,398	68,115	61,346	55,394	43,286
Administrative and general	266,809	201,798	179,082	74,418	75,380	58,960	58,051
Financing expenses, net	987,298	791,525	712,644	153,111	332,776	326,895	174,516
	1,784,108	**1,432,981**	**1,207,065**	**362,731**	**557,110**	**519,598**	**344,669**
Profit (loss) before taxes on income	326,841	(2,074,022)	291,008	351,281	255,075	(81,622)	(197,893)
Income tax expenses (income)	77,635	77,816	(47,564)	73,779	10,491	(47,595)	40,960
Net profit (loss) for the period	**249,206**	**(2,151,838)**	**338,572**	**277,502**	**244,584**	**(34,027)**	**(238,853)**
Allocation of net profit (loss) for the period:							
Company shareholders' share	(346,199)	(2,392,409)	(281,467)	90,050	43,362	(139,790)	(339,821)
Share of non-controlling interests	595,405	240,571	620,039	187,452	201,222	105,763	100,968
	249,206	**(2,151,838)**	**338,572**	**277,502**	**244,584**	**(34,027)**	**(238,853)**

Comparison of 2024 operating results and 2023 operating results

Revenue from rental fees and management of investment property – amounted to NIS 1,389 million in the reporting period, compared to NIS 1,324 million in the corresponding period last year, an increase of NIS 65 million (approx. 5%).

The increase stems from revenue from Amot properties (approx. NIS 56 million) due to additional revenue from properties whose construction has been completed, and due to additional revenue from identical properties (among other things as a result of occupancy, price increases, and the increase in the CPI).

The remainder of the increase (approx. NIS 9 million) stems from an increase in BE's revenue resulting from the depreciation of the NIS against the GBP in the reporting period.

Fair value adjustment of investment property - In the reporting period, gains from property revaluations were recorded in the amount of NIS 607 million, compared to losses from property revaluations in the amount of NIS 926 million in the reporting period last year, as follows:

- Fair value adjustment of Amot's properties - In the reporting period, revaluation gains were recorded in the amount of approx. NIS 546 million, compared to revaluation gains of NIS 243 million in the corresponding period last year. The positive revaluation of income-generating properties in the reporting period was due mainly to an increase in the representative NOI. In the corresponding period last year, revaluation gains resulted from an increase in the representative NOI (including as a result of the impact of the CPI increase), which was partially offset by an increase in the discount rate on some of Amot's properties.

- Fair value adjustment of BE's properties - In the reporting period, revaluation gains were recorded in the amount of approx. NIS 58 million, compared to revaluation losses of NIS 1,169 million in the corresponding period last year. The negative revaluation of properties last year was mainly due to the increase in the discount rate of BE's properties. For additional information, please see Section 2.3.3 above.

In the fourth quarter of 2024, real estate revaluation gains of NIS 294 million were recorded, resulting from revaluation gains of NIS 133 million from Amot and revaluation gains of NIS 160 million from BE.

Group share in the profits of associates, net - The changes between the profit in the reporting period and in the corresponding period last year are mainly due to the following factors:

- **Group share in Carr's losses -** A loss of NIS 264 million was recorded in the reporting period, compared to a loss of NIS 1,384 million in the corresponding period last year.

  The loss in the reporting period is due to a negative value adjustment of Carr's properties in the amount of USD 202 million (the Company's share in the loss before tax - NIS 354 million). The loss in the corresponding period last year is due to a negative value adjustment of Carr's properties in the amount of USD 825 million (the Company's share in the loss before tax - NIS 1,463 million).

  In the fourth quarter of 2024, losses from the revaluation of Carr's properties were recorded in the amount of USD 42 million (the Company's share - NIS 155 million).

- **Group share in AH Boston's losses -** A loss of NIS 284 million was recorded in the reporting period, compared to a loss of NIS 284 million in the corresponding period last year.

  The loss in the reporting period is due to a negative value adjustment of AH Boston's properties in the amount of USD 143 million (the Company's share in the loss before tax - NIS 293 million). The loss in the corresponding period last year is due to a negative value adjustment of AH Boston's properties in the amount of USD 152 million (the Company's share in the loss before tax - NIS 310 million).

  In the fourth quarter of 2024, gains from the revaluation of AH Boston's properties were recorded in the amount of USD 2.5 million (the Company's share - NIS 5 million).

  The revaluations in 2024 resulted mainly from the increase in the discount rate of the properties' projected cash flow (Discount Cash Flow Rate and Terminal Cap Rate).

Net profit (loss) relating to investments in securities measured at fair value through profit and loss – The loss in the reporting period and in the corresponding period last year stems from the fair value adjustment of securities measured at fair value through profit or loss (including Brockton funds). In addition, during the reporting period, the Group recorded a loss of approx. GBP 12 million (NIS 58 million) from the write-off of its entire investment in one of the Brockton Funds, as well as a loss of approx. GBP 34 million (NIS 159 million) from the write-off of the balance of a loan given to one of the Brockton Funds. The losses were recorded to "Net losses from investments in securities measured at fair value through profit or loss". The write-off was made in view of the Group's assessment that the rate and proceeds of sales of luxury apartments in the project held by the Fund are not sufficient to recover the Group's share in the project.

Revenue from sale of electricity and green certificates – Revenue from the sale of electricity and green certificates in the reporting period amounted to NIS 856 million compared to NIS 681 million in the corresponding period last year, an increase of NIS 175 million. The increase stems mainly from an increase in revenue from new facilities that have been connected, mainly in the US and in Israel and Poland.

Financing expenses - Financing expenses in the reporting period amounted to NIS 987 million compared to NIS 792 million in the corresponding period last year, an increase of NIS 195 million. The increase is mainly due to an increase in the Group's financial debt balance as well as an increase in interest rates, net of the impact of the CPI (an increase of 3.43% in the reporting period compared to an increase of 3.34% in the reporting period last year).

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

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

	2024	2023	2022	Q4.2024	Q3.2024	Q2.2024	Q1.2024
Net profit (loss) for the period	249,206	(2,151,838)	338,572	277,502	244,584	(34,027)	(238,853)
Profit from investment in Carr (1) (2)	(21,344)	(65,028)	181,802	(20,459)	(17,586)	8,827	7,874
Profit (loss) from investment in AH Boston properties (1)	(2,443)	(23,673)	39,205	63	(6,335)	1,844	1,985
Profit (loss) from investment in BE (1) (3)	(52,143)	71,939	13,514	(197,501)	87,596	38,581	19,182
Profit (loss) from investment in Energix and others (4)	(57,840)	69,090	(16,089)	(78,309)	6,796	8,625	5,048
Tax effects	2,582	1,760	(4,777)	1,466	2,325	(801)	(408)
Other comprehensive income (loss) for the period	(131,188)	54,088	213,655	(294,741)	72,796	57,076	33,681
Total comprehensive income (loss) for the period	118,018	(2,097,750)	552,227	(17,239)	317,380	23,049	(205,172)
Allocation of comprehensive income (loss) for the period:							
Share of Company shareholders	(443,351)	(2,425,233)	(53,496)	(121,932)	89,567	(97,781)	(313,205)
Share of non-controlling interests	561,369	327,483	605,723	104,693	227,813	120,830	108,033
	118,018	(2,097,750)	552,227	(17,239)	317,380	23,049	(205,172)

(1) Profit (loss) from investment in respect of foreign currency - The profit (loss) represents the increase (decrease) in the Company's investments due to changes in the NIS against the investment currencies in the reporting periods presented above. This profit (loss) is presented net of the effect of forward transactions and cross-currency swap transactions in USD, designated as hedges for investments. In 2024, the NIS depreciated by a rate of 0.5% against the USD and appreciated by 9% against the GBP. In 2023, the NIS depreciated by 3.1% and 9% against the USD and the GBP, respectively.

(2) Net profit (loss) from the investment in Carr also includes the Company's share of changes in the fair value of interest rate fixing transactions made by Carr (a loss of NIS 13 million in 2024 compared to a loss of NIS 21 million in 2023).

(3) Net profit (loss) from the investment in BE also includes the Company's share of changes in the fair value of interest rate fixing transactions made by BE (a loss of NIS 6 million in 2024 compared to a loss of NIS 21 million in 2023).

(4) The loss in the reporting period is mainly due to the effect of exchange rates (net of hedging). In 2023, the profit is mainly due to the effect of exchange rates on Energix (net of hedging) due to the appreciation of the NIS against the USD and the PLN.

2.6 Cash flows

	2024	2023	2022
	NIS millions	NIS millions	NIS millions
Total cash provided by operating activities	**1,064**	**1,121**	**629**
Cash flows used in investing activities			
Investment in investment property and fixed assets	(864)	(656)	(1,159)
Proceeds from the realization of investment property, net	334	-	-
Investment in electricity-generating systems	(1,429)	(2,279)	(1,131)
Investment in Boston properties	(124)	(51)	(57)
Investment in Carr	-	-	(202)
Proceeds from repaid hedging transactions	(388)	(549)	36
Acquisition of consolidated companies	-	-	(298)
Investment in Brockton Funds, net	(69)	-	(4)
Repayment (provision) of loans, net	(24)	(61)	127
Net decrease (increase) in deposits (including encumbered deposits) and realization of tradable securities	636	(187)	(407)
Other	-	-	46
Total cash used in investing activities	**(1,929)**	**(3,783)**	**(3,049)**
Cash flows provided by financing activities			
Receipt of loans (long-term loans and utilization of short-term bank credit)	2,056	3,386	244
Proceeds from the issuance of bonds	555	1,972	3,037
Repayment of liabilities (long-term loans, bonds and repayment of short-term credit)	(2,827)	(1,801)	(1,544)
Capital raised by the Company	1,004	-	295
Capital raised by Amot (net of the Company's investment in the issue)	-	10	487
Capital raised by Energix (net of the Company's investment in the issue)	-	1	534
Capital raised by BE (net of the Company's investment in the issue)	-	30	569
Proceeds from the issue of shares and options to non-controlling interests	92	220	-
Acquisition of shares from non-controlling interests	(59)	(24)	(38)
Payment of dividends to Company shareholders and to non-controlling interests in consolidated companies	(611)	(695)	(652)
Total cash provided by financing activities	**210**	**3,099**	**2,932**
Total increase in cash balances in the period	**(655)**	**437**	**512**
Other influences	**5**	**36**	**24**
Cash and cash equivalents and designated deposit balance at end of period	1,552	2,201	1,729
Less designated deposit	(28)	(3)	(34)
Cash and cash equivalents at end of period	**1,524**	**2,198**	**1,695**

2.7 Equity

2.7.1 Equity per share

	As of December 31 2024	As of December 31 2023
	NIS millions	NIS millions
Equity	11,633	11,064
Less non-controlling interests	(6,219)	(6,062)
Equity attributed to Company shareholders	**5,414**	**5,002**
NAV per share	**25.18**	**27.83**
NNAV per share	**29.65**	**32.78**

2.7.2 Explanation of changes in equity

During the reporting period, the capital attributed to the Company's shareholders increased by NIS 0.4 billion. The main changes are as follows:

- A loss attributed to Company shareholders in the amount of NIS 346 million - please see additional information in Section 2.5.2 above.
- Other comprehensive loss attributable to Company shareholders in the amount of NIS 97 million - please see additional information in Section 2.5.3 above.
- A reduction in capital due to dividends paid in the amount of NIS 138 million.
- Issuance of shares and options in the amount of NIS 1 billion.

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

Composition of the excess assets over liabilities based on the Company's statements (expanded solo) by currency as of December 31, 2024 (in NIS millions):

As of December 31, 2024	Assets	Liabilities	Assets, net	%
USD	1,901	(812)	1,089	20%
GBP	3,211	(1,449)	1,762	33%
Other	15	(1)	14	0%
Excess assets over liabilities in foreign currency	5,127	(2,262)	2,865	53%
Excess assets over liabilities in NIS	6,203	(3,654)	2,549	47%
Equity as of December 31, 2023	**11,330**	**(5,916)**	**5,414**	**100%**

The Company's exposure to foreign currency as of the date of this report is approx. NIS 2.8 billion (net exposure of approx. USD 265 million and approx. GBP 407 million).

2.7.4 Dividends[29]

In March 2025, the Company's Board of Directors adopted a resolution regarding the dividend policy for 2025, according to which the Company intends to pay a dividend during 2025 in a total amount of NIS 96 per share, to be paid in 4 quarterly installments of NIS 24 each quarter (subject to a specific resolution of the Board of Directors at the end of each quarter, taking business considerations into account and in accordance with the provisions of any law).

For information regarding dividends distributed by the Company in 2024, please see Note 17d to the financial statements.

2.8 Remuneration of senior employees

In October 2021, the General Meeting approved a new remuneration policy for Company officers for the years 2022-2024 in effect from January 1, 2022, which was amended in accordance with the General Meeting's resolution in August 2023 (hereinafter - the "**old remuneration policy**"). On December 31, 2024, the General Meeting approved a new remuneration policy for Company officers for the years 2025 - 2027 in effect from January 1, 2025 (hereinafter - the "**new remuneration policy**").

The Remuneration Committee and the Board of Directors at their meetings of March 4, 2025 and March 10, 2025, respectively, discussed and determined the annual bonus for the VPs in respect of 2024 according to the old remuneration policy, and the economic value of the capital bonus to be granted to each of the VPs in 2025 according to the new remuneration policy. The Remuneration Committee and the Board of Directors examined, with respect to each VP separately, all the criteria determined in the remuneration policy, and stated, among other things, that:

(a) The bonuses offered are for the benefit of the Company in the long term.

(b) The total remuneration of each one of the VPs, including the remuneration of the VP of Business Development and the CFO, including the variable components, according to Regulation 21 of the Securities Regulations (Periodic and Immediate Reports), is in accordance with the remuneration policy and constitutes a fair consideration for the contribution of each VP to the Company's operations and its results.

(c) They do not believe that the bonuses detailed above will have an effect on employment relationships in the Company.

Remuneration of the Company CEO -

On October 6, 2021, the General Meeting approved a management agreement with a company owned by Mr. Nathan Hetz, the Company CEO, in accordance with the old remuneration policy, for a period of three years effective January 1, 2022. On November 18, 2024, the Company's Board of Directors decided to extend the management agreement with the Company's CEO for an additional 3 years, until December 31, 2027. For additional information, please see Note 19a to the financial statements and an immediate report published by the Company on November 19, 2024 (Ref: 2024-01-616687).

29 The Company's bonds include certain restrictions on dividend distribution, in the following cases:

The Company will declare a distribution in an amount exceeding the permitted amount at a time when the Company's equity, including as a result of the distribution, will be lower than an amount in NIS equal to NIS 2.6 billion.

The term "permitted amount" means FFO plus profit from the sale of assets and minus dividends that have been declared, all from the beginning of the calendar year in aggregate. It should be clarified that to the extent that the Company has not distributed the full permitted amount in a particular calendar year, the balance of that amount will be carried forward to subsequent years.

The term "profit from the sale of assets" means the excess of the proceeds (if any), in excess of the historical cost of the assets that have been sold.

The term "distribution" as defined in the Companies Law, as well as the purchase of shares of the Company by the Company and/or a company wholly owned by the Company.

The Company will declare a distribution that would result in the reduction of equity below NIS 2.2 billion.

A distribution by the Company would result in a breach of one or more of the Company's material liabilities according to the Company's trust deeds and bonds.

Remuneration of the Chairman of the Company's Board of Directors -

On October 6, 2021, the General Meeting approved a management agreement with Mr. Aviram Wertheim, Chairman of the Company's Board of Directors (through a company under his ownership), in accordance with the old remuneration policy, for a period of three years effective January 1, 2022, and for as long as he serves as Chairman of the Company's Board of Directors. On December 31, 2024, the General Meeting approved a management agreement with the Chairman of the Board of Directors effective January 1, 2025, and for as long as he serves as Chairman of the Company's Board of Directors. For additional information, please see Note 19b

Remuneration of officers -

Regarding the terms of office and employment of the seven officers with the highest remuneration among the senior executives of the Company or of companies under its control (of which three are officers of the Company itself) according to Regulation 21 of the Securities Regulations (Periodic and Immediate Reports) 1970 and for additional information regarding the remuneration terms of two of the Company's officers (VPs), please see Regulation 21 in the Additional Information on the Corporation chapter in the Periodic Report. Regarding the granting of option warrants to officers and employees of the Company, see Note 17e to the financial statements. Regarding the granting of options to directors, please see Note 19c(2) to the financial statements.

3. Sustainability and social responsibility - Environmental risk management, environmental responsibility and the environmental impact on the group's activities (ESG)

In June 2023, the Company published its first ESG Report[30] ("**First ESG Report**"), which reviewed the Group's extensive activities, in the territories in which it operates, in relation to environment, society and corporate governance, in 2021 and 2022.

In the first ESG Report, the Company presented its activities based on the recognition that proper management of environmental risks may yield a business advantage from which it, will benefit, as well as its employees and customers, and increase the trust of the community.

In 2024, the Group continued to work to integrate environmental considerations into the business and management decision-making system of the Group companies.

During 2024 and until the date of publication of the report, the Company carried out in-depth work setting goals for all Group companies in Israel and abroad. The Company is expected to publish a second ESG Report in 2025, which will include the results of the aforementioned work, as well as its environmental data for 2023 and 2024.

From 2006, the Company has been given an ESG rating by Maala. As of the reporting date, the Company is rated at the **platinum rating level**.

In 2021 - 2024, the Group companies published ESG reports in accordance with accepted international standards.

The Group intends to continue to operate, out of a commitment to environmental and social responsibility, while integrating environmental considerations and environmental risk management into the business and managerial decision-making system of the Group companies, in order to benefit the environment, society and community in which the Group operates.

Corporate governance -

The Group conducts itself in accordance with procedures and high standards of corporate governance, strict ethical standards in the business conduct and supports a high level of transparency. Among the Group's core values: fair business conduct, managers' responsibility for their employees, maintaining individual confidentiality and privacy, safeguarding employees' rights and family values.

The Company has an ethical code that presents the above core values, and its policy on social, environmental and community issues, which is published on the Company's website.

30 For the first ESG Report, please see the following link: **ESG report.**

It should be noted that as of December 31, 2024, and as of the date of publication of this report, 5 of the 9 directors who serve on the Company's Board of Directors are independent directors (including external directors).

Social responsibility -

The Group considers itself as an integral part of the community in which it operates and with this in mind, the Group supports many charities, which share its values, such as: reducing inequality, helping and promoting young people, organizations and initiatives related to health and child education and more. The following are several examples of the Group's activities in this area:

- **Contribution to the community -** During 2024, the Group in Israel made contributions in the amount of approx. NIS 5.4 million.
- **Volunteering -** The Group companies encourage their employees to contribute to the community by volunteering and initiate organized volunteering days for employees who are interested. The Group's employees volunteer, among other things, in the education of Beduin youth, in agriculture, protection of agricultural fields, preparation of food packages, the Israel Police and more.
- **Gender equality** - As of December 31, 2024, 33% of the Group companies' employees in Israel are women and 40% of the Group companies' directors in Israel are women.
- **Environmental development -** The group works to develop ancillary facilities in its various projects for the benefit of its customers and the public, such as: open and shaded gardens (by building tall buildings and clearing the land resource for the public), ornamental pools, green roofs, some of which are open to the general public, conference halls, restaurants and cafes.
- **Capital remuneration -** The Company considers the great importance of its employees identifying with its goals and accordingly, the Company employees enjoy capital remuneration. Each year, the Company allocates, without consideration, non-tradable option warrants that can be exercised for the Company's shares, on preferential terms, from a long-term perspective.

4. Discussion of market risks

4.1 Description of market risk to which the Group is exposed:

The Group's business results and the value of its properties are affected by the following risk factors:

- For information regarding the possible impact of the economic environment and geopolitical events on the Company's activities, please see Section 6 "General Environment and Influence of External Factors - General" in Chapter A of the report on the Description of the Corporation's Business.
- For information regarding the impact of the Iron Swords War on the Company's activities, please see Section 6 "General Environment and Influence of External Factors - General" in Chapter A of the report on the Description of the Corporation's Business. Changes and worsening of the security and political situation may have an impact on the Company's activities in Israel and harm its business results, as a result of damage to the demand for rental space, a shortage of manpower in the construction industry, increases in construction costs, etc.
- The Company's management estimates that the entrance into a severe global recession will affect the Group's income from its income-generating property activities in Israel and in the markets in which it operates. These effects, including the growth rates, may be reflected in a slowdown and/or a decline in demand with the possibility of a decrease in prices and/or a decline in the value of the income-generating properties. Decreases in share prices and/or in the value of income-generating property may, among other things, have an adverse affect on the compliance with financial ratios, lead to an increase in financing prices, difficulty in obtaining financing sources and difficulty in the recycling of existing loans.
- Amot, Carr, the Boston property companies and BE operate in the income-generating property market in Israel, the US and in the UK (respectively) and are exposed to risks including: economic slowdown, decline in demand for rental space (including implications of a transition to a hybrid work model), decrease in rental prices, excess speculative construction, an increase in the cost of raising capital, an impairment of the strength of major tenants and an increase in the prices of construction inputs, including delays in the supply chain to projects in development.
- Most of the Group's continuing operations are carried out through the holding of shares in the companies holding income-generating property in Israel, the US and the UK. Consequently, the changes in interest rates (and in their risk margins), the exchange rates and the demand for real estate in the above countries may have a material impact on the Group's business results. In addition, the volatility of the stock markets in which the shares of some of the Group's companies are traded may have an effect on the ability to realize them and on their future value, if and when the Group seeks to realize these investments as well as on the financial covenants related to the value of collateral connected with the loans taken by the Group.
- The Group is dependent on the capital market and the banking system from which it raises capital and debt. The Group's activity in the capital market is subject to fluctuations due to the influence of macroeconomic factors in Israel and abroad and regulatory changes on which the Group has no influence. These fluctuations affect the rates of securities traded on the stock exchange, the amount of the credit sources provided by the banking system and the extent of the public's activity in the capital market. These fluctuations may affect the Group and the options it will have at its disposal for raising the financing sources that will be needed to continue its operations.
- The Company has CPI-linked NIS financing sources (mainly bonds). As a result, the Group is exposed to changes in the CPI. As of December 31, 2024, the Company's net exposure (expanded solo) to the CPI amounted to NIS 1.3 billion (excess liabilities over assets). Because the Company considers its investment in Amot, and part of its investment in Energix (the CPI-linked part), as CPI-linked investments from an economic perspective (for the long term), the Company has excess assets over CPI-linked liabilities in the amount of NIS 3.9 billion as of December 31, 2024.
- The Group is exposed to changes in the short-term and long-term interest rates in the markets in which it operates, which have an impact on the Group's financing expenses, on the Company's and Group companies' liabilities, including loans, derivative transactions and the value of investment property. An increase in financing costs could harm the economic viability for the establishment of projects in initiation (mainly through Energix) and jeopardize their very establishment.
- The Group has investments and sources of financing denominated in foreign currency. Therefore, the Group is exposed to changes in the exchange rates of these currencies against the NIS.

- The Group, through Energix, is exposed to the risk of a decrease in the price of green certificates and/or a decrease in the demand for them, and is exposed to fluctuation in electricity prices on the Polish Electricity Exchange and electricity prices in the US until the date of engagement in an electricity sales agreement.
- The Group's revenues from the sale of electricity and the construction schedules for projects in this area exposed to changes that may occur in the Israeli, American and Polish regulatory environments, among other things, regarding tariffs set for the sale of electricity, to the various conditions Energix must meet in order to receive the licenses, permits and approvals for the construction of renewable energy facilities, the regulatory conditions in Poland, changes in the Polish Renewable Energy Law and changes in the American tax regime, such as a reduction in the tax benefits granted to photovoltaic facilities.
- The Group's revenue from the sale of electricity are significantly affected by weather conditions. At wind farms, revenues are affected by the strength and amount of the wind and photovoltaic systems are affected by the intensity of solar radiation (radiation level and hours of radiation), temperature conditions and other climatic parameters. In addition, extreme weather conditions can also lead to delays in project construction or in extreme cases, to the temporary shutdown of electricity-generation systems.
- The Group's revenue from the sale of electricity is affected by a tax incentive scheme that enables a benefit that reduces the construction cost of projects and is provided at the time of connection to the electricity grid. The loss of tax benefits in a significant amount may result in a breach of contract with a tax partner and an obligation to compensate the partner with the tax liability. Such loss of benefits may impair Energix's cash flow of energy and the return it actually receives.

4.2 The extent of the impact of market risks on the Group's business activity:

	Degree of risk factor's impact on the company's activity	
	High	**Moderate**
Macro-economic risk factors:		
Interest risks	X	
Changes in exchange rates	X	
Lack of growth and severe economic recession	X	
Changes in the value of tradable securities	X	
Regulatory changes in banking, capital markets and taxation	X	
Changes in credit provision policy	X	
Change in employment rate	X	
Changes in inflation rates		X
Industry risk factors:		
Change in the demand for rental space	X	
Changes in rental prices	X	
Excess speculative construction	X	
Increase in capital and debt raising cost	X	
Financial strength of tenants		X
Increase in construction input costs, delays in the supply chain for projects in initiation		X
Changes in electricity prices and in the price of green certificates		X
Changes in the regulatory environment in which Energix operates		X
Compliance with the conditions required for receiving tax benefits in the US		X
Market risk		
Cyber risks (please see Section 4.3 below)		X
Weather conditions, seasonality and climate change		X
Geopolitical risks including security risks		X
Environmental risks (please see ESG Report published by the Company)		X

For information regarding interest, inflation and currency exposure risks, see Note 23 to the financial statements.

4.3 Cyber risk

The Company has various information systems for which it estimates that the amount of damage that could be caused to it as a result of a cyber attack is not high. Nevertheless, from time to time the Company is assisted by information security consultants, and implements tools and systems aimed at protecting against cyber threats, loss of information, the risk of information hijacking and destruction by malicious parties, and works to back up information and the ability to recover quickly in the event of a cyber event.

During the reporting period, the Company continued to strengthen the resilience of its information security system in order to reduce the risk of hostile elements infiltrating its internal information systems and computer network. At the same time, it should be clarified that there can be no certainty regarding the Company's ability to completely prevent cyber events.

The Company's cyber risk management policy is managed by the Information Systems Manager, reporting to the Company's VP Finance. As part of the Company's cyber risk management policy, the Company periodically conducts a comprehensive cyber risk survey, on the basis of which a plan is built to reduce exposures, procedures are updated, and additional protection tools are implemented as needed. The Company conducts ongoing activities to raise employee awareness of the latest cyber risks. It should be noted that the Company does not have any officers and/or board members with cyber expertise.

During 2024 and until the date of the report, no cyber incident occurred and no high-risk cyber problems or high-impact cyber issues were found in the Company's operations.

The Group companies -

Income-generating property - The Group companies operating in the field of income-generating property have various databases that contain both confidential and personal information in relation to their customers. Failure and/or an information security event in relation to the systems used by the Group companies and in which such information is stored, may affect their ongoing activities, their customers, the provision of the services provided by them and their reputation. However, the Group estimates that the extent of the damage that may be caused to it by a cyber attack is not high.

Renewable energy - Energix, a renewable energy company, has operational systems (OT) and organizational information systems (IT). Any damage to Energix's OT systems may expose it to delays and disruptions in the supply of electricity generated at its facilities and/or cause damage to the information in its possession and/or damage its reputation. Energix has procedures for dealing with cyber risks, including an incident response procedure that includes a first-responder team.

Each of the Group companies works according to policy and procedures to secure the information accumulated in their systems and, for that purpose, is assisted by information security consultants, who operate in accordance with instructions and under the supervision of the relevant company's Information Systems Manager. The Group companies work to implement technological and organizational measures, including work procedures, to secure information from unauthorized discovery and/or use and/or loss of information, including dealing with cyber attacks and recovery in the event of an attack. However, there is no certainty regarding the Group companies' ability to completely prevent cyber attacks

During 2024 and until the date of the report, no cyber incidents occurred in the Group companies and no high-risk or high-impact cyber issues were found in the Group companies.

The risks mentioned in Section 4 above are the risks that, according to the Company management's estimates, may have a specific impact on the Company due to the nature and scope of its activities. It should be noted that other risks that are not necessarily specific to a company of this type may have an influence on the Company, including risks of war, hostilities, regulation risks, changes in fiscal policy, economic crises and geopolitical crises in countries in which the Group operates.

5. Aspects of Corporate Governance

5.1 The Company Board of Directors; Board members with accounting and financial expertise

As of the date of publication of this report, the Company's Board of Directors has 9 directors: The following are changes that occurred in the Company's Board of Directors during 2024:

- On October 9, 2024, Mr. Ilan Gifman commenced service as a Company director. The Company's Board of Directors determined that Mr. Ilan Gifman is a director with accounting and financial expertise.
- On November 18, 2024, Ms. Batsheva Moshe commenced service as an independent director of the Company. The Audit Committee determined that Ms. Batsheva Moshe is an independent director and the Company's Board of Directors determined that Ms. Batsheva Moshe is a director with accounting and financial expertise.
- On November 22, 2024, Mr. Amos Yadlin ended his service as an independent director of the Company.
- On December 31, 2024, Dr. Samer Haj-Yehia commenced service as an external director of the Company. The Company's Board of Directors determined that Dr. Samer Haj-Yehia is a director with accounting and financial expertise and the Audit Committee determined that he meets the required qualifications for an external director.

The Company's Board of Directors determined that considering the international activities of the Group, and the Company as a holding company, it is desirable that at least four Company directors have accounting and financial expertise ("the **minimum number**"). This was determined in view of the Company's managerial and financial complexity, its diverse areas of activity and the markets in which it operates, the amounts of its financial assets and liabilities, and the need to maintain adequate control over financial reporting and internal audit procedures. In the opinion of the Board of Directors, the minimum number constitutes an additional layer that strengthens the fulfillment of its duties and responsibilities under the law.

As of December 31, 2024 and as of the date of publication of this report, 8 of the members of the Board of Directors have accounting and financial expertise - Mr. Aviram Wertheim, Mr. Nathan Hetz, Prof. Zvi Eckstein, Mr. Ilan Gifman, Dr. Samer Haj-Yehia, Ms. Batsheva Moshe, Ms. Roni Patishi-Chillim and Mr. Shlomi Shuv.

For information regarding the qualifications, education and experience of the above directors, based on which the Company considers them to have accounting and financial expertise, please see Regulation 26 of the Additional Information Chapter on the Corporation.

During 2024, 10 meetings of the Company's Board of Directors were held, with the average attendance of members of the Board of Directors at 93%, as follows:

Name of Director	Attendance rate at Board meetings	Attendance rate at Audit Committee meetings	Attendance rate at Financial Statements Review Committee meetings	Attendance rate at Remuneration Committee meetings
Aviram Wertheim	100%	N/R	N/R	N/R
Nathan Hetz	100%	N/R	N/R	N/R
Zvi Eckstein	70%	100%	100%	100%
Amos Yadlin[31]	89%	100%	N/R	100%
Rony Patishi-Chillim	100%	100%	100%	100%
Shlomi Shuv	100%	100%	100%	100%
Adva Sharvit	80%	N/R	100%	N/R
Ilan Gifman [32]	100%	N/R	N/R	N/R
Batsheva Moshe [33]	100%	N/R	N/R	N/R
Samer Haj-Yehia [34]	N/R	N/R	N/R	N/R

During the reporting year, the Company's Board of Directors held a discussion on the management of the corporation's business by the CEO and his subordinate officers, without their presence.

31 Mr. Amos Yadlin ended his service on November 22, 2024.

32 Mr. Ilan Gifman commenced service on October 9, 2024.

33 Ms. Batsheva Moshe commenced service on November 18, 2024.

34 Dr. Samer Haj-Yehia commenced service on December 31, 2024 and therefore, he did not participate in meetings of the Company's Board of Directors and its committees during 2024.

5.2 Independent Directors[35]

As of the date of publication of this report, the Company has not adopted the provision in the First Addendum to the Companies Law regarding the rate of independent directors, according to which, among other things, a publicly-owned company that does not have a controlling shareholder or the holder of a controlling block may establish instructions in its articles of association stating that a majority of the members of its Board of Directors must be independent directors.

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

5 members of the Board of Directors (3 of which are external directors) are independent directors.

5.3 The Company's accountant - for information regarding the Company's accountant, please see Appendix D.

5.4 The Company's internal auditor - for information regarding the Company's internal auditor, please see Appendix C.

5.5 Internal enforcement plan

In May 2012 for the first time, the Company adopted an internal enforcement plan regarding securities, which was updated from time to time and most recently in August 2024, following a compliance survey. The Company's enforcement plan was prepared and is updated and implemented in accordance with the criteria for an effective enforcement plan, which were published by the Securities Authority on August 15, 2011.

5.6 Charitable Donations

According to the Company's policy on donations, it regularly allocates up to 1.4% of the Group's annual profits (not including the real estate value adjustment and capital gains component) for contributions to the community that are mainly dedicated for mainly intended for supporting, educating and helping disadvantaged youths.

As part of this policy, during 2024 the Group contributed a total of approx. NIS 5.4 million to non-profits and organizations with the aforementioned goals (2023: NIS 8 million; 2022: NIS 7 million).

To the best of the Company's knowledge, and according to a review conducted, the relationships between entities to whom the amount of contributions in 2024 exceeded NIS 50 thousand, and the Company and/or a Director and/or the CEO, are as follows:

1. During 2024, the Group donated NIS 100 thousand to the Hetz Vamatara Association. The Hetz Vamatara Association is an association founded by the daughters of Mr. Nathan Hetz, a Company director and CEO, in which Ms. Adva Sharvit, a Company director, serves as CEO on a volunteer basis. The Association operates a bicycle riding center for at-risk children and youths.
2. The Lasova Association, to which the Company has donated for over 20 years, in order to maintain three youth homes (Hetz-Kadima)[36], and the Society for the Advancement of Education in Tel Aviv-Yafo[37], both of which sent groups of at-risk youths to activities at the Hetz Vamatara Association for a payment of 35% of the cost of the activity.
3. During 2024, the Group donated NIS 160 thousand to the Ofanim Association. Ms. Batsheva Moshe serves on the association's executive committee as a volunteer.

35. In the reporting year, an examination was conducted with the external directors and the independent directors, and they were found to be in compliance with the provisions of Section 240(b) and (f) of the Companies Law regarding the absence of affiliation and that they comply with the conditions required for serving as an external/independent director, as relevant.

36 The Company donated NIS 960 thousand to the Lasova Association in 2024.

.37 The Group donated NIS 260 thousand in 2024 to the Society for the Advancement of Education in Tel Aviv-Yafo.

5.7 Communication with analysts, journalists and capital market professionals

The Company's management has adopted principles for regulating its communication with analysts, capital market professionals and journalists ("**contact persons**"), recognizing the importance of providing relevant information on the one hand and complying with the provisions of the law on the other. The following is a summary of these principles, which are an integral part of the Company's administrative enforcement plan:

- Communication with contact persons will only be held through an officer appointed by the Company ("the **representative**").
- The representative will not communicate with contact persons during the dark periods.
- In this regard, "dark periods" mean the periods of darkness resulting from the forming of draft financial statements by the Company, i.e. a period of 30 calendar days before an annual report and 20 calendar days before a periodic report.
- Non-public information that is not required to be reported by law and/or information that has not yet been reported on the basis of a lawful delay of information that is required to be reported - there will be no discussion with contact persons.

6. Events Subsequent to the Balance Sheet Date

Regarding events subsequent to the balance sheet date, see Note 26 to the financial statements.

7. Special Disclosure for Bondholders

For information regarding bonds issued by the Company and regarding the rating reports, please see Appendix E below.

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

Nathan Hetz	Aviram Wertheim
Director and CEO	Chairman of the Board of Directors

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

Appendix A – Financial Information, Expanded Solo

Appendix B – Balance Sheet of Linkage Bases for Monetary Balances

Appendix C – Information regarding the Company's Internal Auditor

Appendix D – Information regarding the Company's Accountant

Appendix E – Information regarding Bonds Issued by the Company

Appendix F – Information regarding a material asset, in accordance with the proposed amendment to the Securities Regulations to establish "Disclosure Guidance regarding Investment Real Estate Activities" from December 2023.

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

Appendix H – FFO Adjusted to the Company's Liabilities

Appendix A – Financial Information, Expanded Solo

1 .Financial Statements – Expanded Solo

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

1.1 Condensed expanded solo balance sheet (NIS thousands):

	As of December 31	As of December 31
	2024	2023
	NIS thousands	NIS thousands
Current assets		
Cash and cash equivalents	641,761	1,024,887
Other accounts receivable	38,533	34,811
Total current assets	**680,294**	**1,059,698**
Non-current assets		
Securities measured at fair value through profit or loss	218,459	165,385
Investments in investees	10,415,263	10,418,144
Others	15,534	4,149
Total non-current assets	**10,649,256**	**10,587,678**
Total assets	**11,329,550**	**11,647,376**
Current liabilities		
Short-term credit and current maturities of long-term liabilities	378,454	611,159
Other accounts payable	295,661	363,011
Total current liabilities	**674,115**	**974,170**
Non-current liabilities		
Bonds and long-term loans	5,180,764	5,495,383
Deferred taxes	11,541	26,663
Others	49,554	149,103
Total non-current liabilities	**5,241,859**	**5,671,149**
Equity	**5,413,576**	**5,002,057**
Total liabilities and equity	**11,329,550**	**11,647,376**

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

	2024	2023	2022
	NIS thousands	NIS thousands	NIS thousands
Revenues			
Group share in the losses of associates, net	(13,211)	(2,163,614)	(371,066)
Profit from decrease in rate of holding, from purchase and realization of investees	23	449	2,293
Net profit, relating to investments in long-term securities held for sale	(11,443)	(10,289)	(7,018)
Other revenue, net	22,296	21,136	18,766
	(2,335)	**(2,152,318)**	**(357,025)**
Expenses			
Administrative and general	39,136	32,138	35,210
Financing expenses, net	271,169	230,861	142,218
	310,305	**262,999**	**177,428**
Loss before taxes on income	(312,640)	(2,415,317)	(534,453)
Income tax expenses (income)	33,559	(22,908)	(252,986)
Loss for the period	**(346,199)**	**(2,392,409)**	**(281,467)**

	2024	2023	2022
	NIS thousands	NIS thousands	NIS thousands
Group share in the profits (losses) of associates, net			
Group share in Amot's equity income	468,064	4371,116	629,677
Group share in Energix's equity income	169,761	130,138	122,215
Group share in Carr's equity losses	(263,716)	(1,383,740)	(780,842)
Group share in AH Boston's equity losses	(277,752)	(284,180)	(187,566)
Group share in Brockton's equity losses	(104,164)	(993,819)	(151,653)
Other	(5,404)	(3,129)	-
Total profits (losses) of associates, net	**(13,211)**	**(2,163,614)**	**(375,025)**

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

	2024	2023	2022
	NIS millions	NIS millions	NIS millions
Revenue from dividends(*)	675	671	621
Management fees - investees	22	21	18
Financing expenses, net	(189)	(175)	(128)
Administrative and general	(33)	(32)	(34)
Current taxes	(21)	(19)	(18)
Total cash flow from the Company's operating activities	**454**	**466**	**459**
Cash flow from the Company's financing activities per share	**2.39**	**2.59**	**2.61**

(*) Including a DRIP plan in Carr in the amount of NIS 118 million, NIS 117 million and NIS 98 million for the years 2024, 2023 and 2022, respectively. For information regarding dividend income, please see Section 2.3.9 above.

3. The Company's liabilities (expanded solo) maturing after December 31, 2024:

	Bonds	Bank loans	Total	
	NIS thousands	NIS thousands	NIS thousands	%
Current maturities	359,474	22,535	382,009	7
Second year	359,474	-	359,474	6
Third year	359,474	-	592,680	6
Fourth year	943,396	-	943,396	16
Fifth year	943,396	-	943,396	16
Sixth year onward	2,838,834	-	2,838,834	49
Total repayments	5,804,048	22,535	5,826,583	100
Others			87,435	
Balance of liabilities related to financial derivative transactions			152,860	
Total financial debt (taking into account the value of financial derivative transactions)			6,066,879	

For information regarding the Company's total financial debt (expanded solo) as of December 31, 2024, please see Section 2.4.3 above.

Appendix B – Balance Sheet of Linkage Bases for Monetary Balances

As of December 31, 2024, in NIS thousands	In NIS Unlinked NIS	In NIS CPI-Linked	In USD United States	In GBP	Other	Total	Adjustments - Non-monetary items	Total
Current assets								
Cash and cash equivalents	620,192	-	6,473	946	14,151	641,762	-	641,762
Other accounts receivable	19,066	-	359	-	75	19,500	19,033	38,533
Total current assets	**639,258**	**-**	**6,832**	**946**	**14,226**	**661,262**	**19,033**	**680,295**
Non-Current Assets								
Securities measured at fair value through profit or loss	5	-	-	218,454	-	218,459	-	218,459
Investments in associates	-	-	-	-	-	-	10,415,263	10,415,263
Others	13,582	-	-	-	-	13,582	1,952	15,534
Total non-current assets	**13,587**	**-**	**-**	**218,454**	**-**	**232,041**	**10,417,215**	**10,649,256**
Total assets	**652,845**	**-**	**6,832**	**219,400**	**14,226**	**893,303**	**10,436,248**	**11,329,551**
Current liabilities						-		
Short-term credit and current maturities of long-term liabilities	378,454	-	-	-	-	378,454	-	378,454
Other payables	231,811	31,107	95	-	-	263,013	32,648	295,661
Total current liabilities	**610,265**	**31,107**	**95**	**-**	**-**	**641,467**	**32,648**	**674,115**
Non-current liabilities						-		
Bonds and long-term loans	4,123,397	1,057,367	-	-	-	5,180,764	-	5,180,764
Deferred tax liabilities	-	-	-	-	-	-	11,541	11,541
Others	48,502	-	912	-	-	49,414	140	49,554
Total non-current liabilities	**4,171,899**	**1,057,367**	**912**	**-**	**-**	**5,230,178**	**11,681**	**5,241,859**
Total liabilities	**4,782,164**	**1,088,474**	**1,007**	**-**	**-**	**5,871,645**	**44,329**	**5,915,974**
Excess assets over liabilities (liabilities over assets)	**(4,129,319)**	**(1,088,474)**	**5,825**	**219,400**	**14,226**	**(4,978,342)**	**10,391,919**	**5,413,577**
Financial derivatives	2,509,988	(250,000)	(811,458)	(1,448,530)	-	-	-	-
Excess financial assets over financial liabilities (financial liabilities over financial assets)	**(1,619,331)**	**(1,338,474)**	**(805,633)**	**(1,229,130)**	**14,226**	**(4,978,342)**	**10,391,919**	**5,413,577**
Distribution of non-monetary assets (liabilities), net – by linkage basis	304,309	5,201,362	1,894,453	2,991,735	59	10,391,918	(10,391,918)	-
Excess assets over liabilities (liabilities over assets)	**(1,315,022)**	**3,862,888**	**1,088,820**	**1,762,605**	**14,285**	**5,413,576**	**1**	**5,413,577**

Appendix C - Information regarding the Company's Internal Auditor

Auditor's name: Yisrael Gewirtz of Fahn Kanne Control Management Ltd.

Start of term in office: May 23, 2017.

Appointment: The appointment of the current internal auditor (who is an internal auditor from the same firm as the Company's previous internal auditor) was approved by the Audit Committee at its May 16, 2017 meeting and by the Company's Board of Directors at its May 23, 2017 meeting. The firm of Fahn Kanne Control Management Ltd. was selected (at the August 18, 2010 meeting of the Board of Directors) from a number of candidates whose candidacy was examined by the Audit Committee, while assigning a great deal of significance to the fact that Fahn Kanne Control Management Ltd. is a reputable and experienced company with a large number of employees with expertise in internal audits.

Auditor's qualifications: The Auditor has a degree in Accounting and Economics from Bar Ilan University and certification in Risk Management Assurance (CRMA). The Auditor is a CPA and a CIA (Certified Internal Auditor).

The auditor provides internal auditor services as an external entity through Fahn Kanne Control Management Ltd. The above company, which is a subsidiary of Fahn Kanne & Co. (Grant Thornton Israel), is a company engaged in control and auditing services for over 30 years, which employs approx. 100 dedicated employees: accountants, internal auditors (CIA), information systems auditors (CISA) and embezzlement auditors (CFE).

Scope of employment: In 2024, the internal auditor invested 220 hours in the audit work he carried out in the Company. The internal auditor serves as the internal auditor at the consolidated company Energix – Renewable Energies Ltd., where he is directed by the Energix Audit Committee, while Amot Investments Ltd. has a separate internal auditor directed by the Amot Investments Ltd. Audit Committee.

Audit plan and audit reports submitted and discussed in the reporting period:

In recent years, the internal auditor's audit plan is an annual plan, and is derived from a multi-year plan.

The annual audit plan is approved by the Audit Committee after discussion of the Auditor's proposal. The annual planning of audit tasks, setting of priorities and audit frequency are affected by the following factors:

The exposure to risk of activities and operations, the probability of the existence of managerial and administrative deficiencies, findings from previous audits, subjects in which audits are required by administrating bodies, legally mandated subjects, according to internal or external procedural directives and the need for maintaining recurring cycles.

The work plan is received and approved by the Audit Committee at the end of each year for the following year or at the beginning of each year for the current year.

On November 16, 2022, the Audit Committee approved a multi-year work plan for the years 2023-2026, subject to a new risk survey (which was carried out). At its meeting on November 12, 2024, the Audit Committee approved the work plan for 2025 (within the three-year work plan framework), which includes the following topics: (a) Control over public investees - Amot; (b) General procurement (including travel abroad); (c) Employee options; (d) Information systems - information security.

The internal auditor may not deviate from the work plan determined, at his sole discretion.

In the period from January 1, 2024 until the publication of this report, the following internal auditor reports were submitted in writing to the Company and the Audit Committee and discussed:

Subject of the report	Date of submission in writing to the	Date of discussion in Audit Committee	Work hours dedicated	The report refers to the Company's activity / the
Control over public investees - Energix	May 2024	19.5.2024	60	The Company's activity in Israel
Control over public investees - BE - Review of implementation of recommendations	May 2024	19.5.2024	20	The Company's activity in and outside of Israel
Financial exposures	August 2024	12.11.2024	60	The Company's activity in Israel
Transactions with interested parties	August 2024	12.11.2024	80	The Company's activity in Israel

Significant corporate holdings – the audit plan addresses the management of the Company's holdings in corporations that constitute significant holdings controlled by the corporation, with the exception of the consolidated companies Amot Investments Ltd. and Energix Renewable Energies Ltd., which maintain a separate internal auditors.

Professional standards – The internal auditor is in compliance with all conditions determined in Section 3(a) of the Internal Audit Law, 1992 ("**the Audit Law**"). The internal auditor, according to his statement, conducts the internal audit in accordance with accepted professional standards, as stated in Section 4(b) of the Audit Law. The Auditor is complies with Section 146(b) of the Companies Law, 1999 and Section 8 of the Audit Law.

The Auditor's organizational supervisor – The Company's CEO.

The scope, nature and continuity of the internal auditor's activity and work plan – To the best of the Company Board of Directors' knowledge, the nature and continuity of the Auditor's activities and work plan are reasonable under the circumstances and are able to achieve the goals of the corporation's audit.

Free access for the internal auditor – The internal auditor is provided free access as stated in Section 9 of the Audit Law, 1992, which includes constant and direct access to the corporation's information systems, including financial data.

Remuneration - The Auditor's fees for 2024 amounted to approx. NIS 56 thousand. Remuneration for the audit work is according to the internal auditor's working hour budget. There are no concerns that the remuneration detailed above, which derives from the auditor's actual work hour budget, may influence the application of the auditor's professional judgment.

Appendix D – Information regarding the Company's Accountant

The following are the fees for the Company's auditing accountants and for its significant consolidated companies:

Company name	Accountants		2024 Audit and	2024 Other services	2023 Audit and tax	2023 Other services
Alony-Hetz Properties and	Brightman Almagor Zohar	NIS	650	119	693	44
Amot Investments (Ltd.)	Brightman Almagor	NIS	763	77	763	389
Eilot Companies Group (*)	Ziv Haft Accountants	NIS	673	115	634	43
Energix Renewable Energies	Brightman Almagor	NIS	850	365	850	95
Energix Renewable Energies	Deloitte Poland	EUR	180	-	100	-
Energix Renewable Energies	Deloitte USA	USD	310	-	285	-
Brockton Everlast Inc.	Deloitte UK	GBP	362	9	343	56

At the beginning of 2024, the Financial Statements Review Committee examined the planned scope of work of the Company's auditing accountant and his proposed wage for 2024, taking the Company's size and the complexity of its statements into consideration. The Company's Board of Directors approved the wage of the Company's auditing accountant for auditing activity in 2024. The Financial Statements Examination Committee was satisfied, immediately prior to the Company Board of Directors' approval of the 2024 Periodic Report, that the extent of the work of the auditing accountant and his wage in the reporting year are sufficient for performing auditing and reviewing work appropriate for the financial statements in the reporting year.

Appendix E - Information regarding Bonds Issued by the Company

The following are details regarding the Company's bonds as of December 31, 2024 (in NIS thousands)[38]

	NIS thousands	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)
1	Initial issuance date	December 1, 2015	December 1, 2015	August 11, 2019	August 11, 2019	September 12, 2022	September 12, 2022
2	Par value on issuance date	275,000	275,000	200,932	400,730	290,176	248,542
3	Par value as of December 31, 2024	467,593	600,164	160,746	2,054,943	1,361,803	1,050,480
4	Par value linked to December 31, 2024	N/R	N/R	N/R	N/R	N/R	1,129,078
5	Value in the financial statements as of December 31, 2024 (at amortized cost)	472,839	602,525	159,230	1,940,208	1,300,497	1,057,367
6	Stock exchange value as of December 31, 2024	475,963	615,228	147,918	1,873,286	1,361,803	1,170,176
7	Accrued interest as of December 31, 2024	15,100	3,426	3,587	41,541	56,429	24,245
8	Interest rate / Fixed annual margin	3.85%	2.24% above Bank of Israel interest rate, as it will be from time to time	2.66%	2.41%	4.94%	2.56%
9	Materiality of the Series [39]	Yes	Yes	No	Yes	Yes	Yes
10	Principal payment dates (from the initial issuance date)	8 annual payments: the four (4) first payments of 10% of the principal each will be paid on February 28 of each of the years 2020-2023; and four (4) payments of 15% of the principal, each, will be repaid on February 28 of each of the years 2024-2027.	Four (4) annual payment of 25% of the principal, to be paid on February 28 of each of the years 2024-2027.	6 annual payments, in cash or in Company shares, according to the Company's absolute discretion - please see Section 13 of bonds, in the following years and at the following rates: (1) 10% of the PV principal of the bonds (Series K) in each of the years 2022 and 2023; (2) 25% of the PV principal of	6 annual payments in the following years and at the following rates: (1) 10% of the PV principal of the bonds (Series K) in each of the years 2022 and 2023; (2) 25% of the PV principal of the bonds (Series K) in each of the years 2028 and 2029, and (3) 15% of the PV principal of the bonds (Series K) in	10 equal payments at a rate of 10% each payment on February 28 of each of the years 2028 to 2037, inclusive.	10 equal payments at a rate of 10% each payment on February 28 of each of the years 2028 to 2037, inclusive.

.38 Not including bonds issued by Amot Investments Ltd. and Energix Renewable Energies Ltd.

.39 The bond series is material if the amount of the Company liabilities according to it as of the end of the reporting period constitutes 5% or more of the Company's total liabilities as presented in the data stated.

	NIS thousands	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)
				the bonds (Series K) in each of the years 2028 and 2029, and (3) 15% of the PV principal of the bonds (Series K) in each of the years 2030 and 2031;	each of the years 2030 and 2031;		
11	Principal payment dates	February 28 of each of the years 2016-2027 (inclusive).	Four payments per year, on February 28, May 31, August 31 and November 30 of each of the years 2016-2027 (inclusive)	February 28 of each of the years 2020-2031 (inclusive) The interest will be paid either in cash from February 22, 2022 or in Company shares, at the absolute discretion of the Company (please see Section 13 below).	February 28 of each of the years 2020-2031 (inclusive)	February 28 of each of the years 2023-2037 (inclusive)	February 28 of each of the years 2023-2037 (inclusive)
12	Linkage base (principal and interest)	Unlinked	Unlinked	Unlinked	Unlinked	Unlinked	CPI for July 2022
13	Conversion right	None	None	As of February 28, 2022, the Company may, at its absolute and exclusive discretion, pay the principal and/or the interest, with its shares, all as detailed in Section 7 of the Bond.	None	None	None
14	Main conversion conditions	N/R	N/R	The Company's absolute discretion	N/R	N/R	N/R
15	Guarantee for payment of the liability	None	None	None	None	None	None
16	Early redemption	In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the value of the series, in	(1) In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the value of	In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the	In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the	In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the	In the event of a decision by the TASE's Board of Directors to terminate trading due to a decline in the

	NIS thousands	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)
		accordance with TASE guidelines, as well as at the Company's initiative upon the occurrence of certain events that constitute grounds for immediate repayment, as detailed in Section 6.2 of the deed of trust.	the series, in accordance with TASE guidelines; or (2) at the Company's initiative upon the occurrence of certain events that constitute grounds for immediate repayment; or (3) according to a decision by the Company's Board of Directors, as detailed in Section 6.2 of the deed of trust.	value of public holdings in the series as specified in section 6.1 of the deed of trust, in accordance with the stock exchange's instructions, as well as at the Company's initiative, the occurrence of certain event constitutes grounds for immediate repayment as specified in Section 6.2 of the deed of trust.	value of public holdings in the series as specified in section 6.1 of the deed of trust, in accordance with the stock exchange's instructions, as well as at the Company's initiative, the occurrence of certain event constitutes grounds for immediate repayment as specified in Section 6.2 of the deed of trust.	value of public holdings in the series as specified in section 6.1 of the deed of trust, in accordance with the stock exchange's instructions, as well as at the Company's initiative, the occurrence of certain event constitutes grounds for immediate repayment as specified in Section 6.2 of the deed of trust.	value of public holdings in the series as specified in section 6.1 of the deed of trust, in accordance with the stock exchange's instructions, as well as at the Company's initiative, the occurrence of certain event constitutes grounds for immediate repayment as specified in Section 6.2 of the deed of trust.
17	Liens in favor of bondholders	None[45]	None[44]	None[43]	None[42]	None[41]	None[40]
18	Limitations on the creation of additional liens	The Company will not create floating liens on all of its assets (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien for the third party, a floating lien on the same level, pari passu,	The Company will not create floating liens on all of its assets (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien for the third party, a floating lien on the same level, pari	The Company will not create floating liens on all of its assets (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien for the third party, a floating lien on the	The Company will not create floating liens on all of its assets (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien for the third party, a floating lien on the	The Company will not create floating liens on all of its assets and all of its existing and future rights (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien	The Company will not create floating liens on all of its assets and all of its existing and future rights (negative pledge), unless it contacts the trustee in writing prior to creating the lien and inform him about it and create, along with the creation of the lien

40. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series O) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

41. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series M) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

42. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series L) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

43. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series K) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

44. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series J) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

45. The Company may, under certain circumstances, provide liens in favor of the bondholders (Series I) instead of complying with certain stipulations, as long as the grounds for immediate repayment have materialized according to the above circumstances. Reference is hereby made to Section 5.4 of the deed of trust.

	NIS thousands	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)
		in favor of the bondholders (Series I).	passu, in favor of the bondholders (Series J).	same level, pari passu, in favor of the bondholders (Series K).	same level, pari passu, in favor of the bondholders (Series L).	for the third party, a floating lien on the same level, pari passu, in favor of the bondholders (Series M).	for the third party, a floating lien on the same level, pari passu, in favor of the bondholders (Series O).
19	Limitations regarding the authority to issue additional bonds	None	None	None	None	None	None
20	Lien validity period	N/R	N/R	N/R	N/R	N/R	N/R
21	Bond conditions for changing, releasing, replacing or canceling a lien	In this regard, please see Section 5.4 of the deed of trust	In this regard, please see Section 5.4 of the deed of trust	In this regard, please see Section 5.4 of the deed of trust	In this regard, please see Section 5.4 of the deed of trust	In this regard, please see Section 5.4 of the deed of trust	In this regard, please see Section 5.4 of the deed of trust
22	Changes in the bond conditions regarding liens during the reporting period	No changes occurred	No changes occurred	No changes occurred	No changes occurred	No changes occurred	No changes occurred
23	The manner in which the changes were approved	N/R	N/R	N/R	N/R	N/R	N/R
24	Did the Company, during and at the end of the reporting year, comply with all the conditions and obligations according to the deed of trust	Yes	Yes	Yes	Yes	Yes	Yes
25	Have the conditions for the immediate repayment of the bonds or the realization of the guarantees been met	No	No	No	No	No	No
26	Description of the breach (if any)	N/R	N/R	N/R	N/R	N/R	N/R
27	Was the Company was required to take various actions by the trustee	No	No	No	No	No	No
28	Name of Trust Company Name of Series Supervisor Address Telephone	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200	Reznik Paz Nevo Trusts Ltd. Michal Avatlion, Attorney at Law 14 Yad Harutzim St., Tel Aviv. 03-6389200

	NIS thousands	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)
29	Holders' meetings	On July 19, 2017, a holders' meeting was held to approve the trustee's term of service.	On July 19, 2017, a holders' meeting was held to approve the trustee's term of service.	On July 14, 2021, a holders' meeting was held to approve the trustee's term of service.	On July 14, 2021, a holders' meeting was held to approve the trustee's term of service.	On July 10, 2024, a holders' meeting was held to approve the trustee's term of service.	On July 10, 2024, a holders' meeting was held to approve the trustee's term of service.
30	Rating						
	Rating Agency	Maalot	Maalot	Maalot	Maalot	Maalot	Maalot
	Rating on the issuance date	AA- Stable outlook	AA- Stable outlook	AA- Stable outlook	AA- Stable outlook	AA- Stable outlook	AA- Stable outlook
	Rating as of December 31, 2024 [46]	AA- Negative outlook	AA- Negative outlook	AA- Negative outlook	AA- Negative outlook	AA- Negative outlook	AA- Negative outlook
	Rating Agency	Midroog	Midroog		Midroog	Midroog	Midroog
	Rating on the issuance date	Aa3 Stable Outlook	Aa3 Stable Outlook	-	Aa3 Stable Outlook	Aa3 Stable Outlook	Aa3 Stable Outlook
	Rating as of December 31, 2024 [47]	Aa3 Stable Outlook	Aa3 Stable Outlook	-	Aa3 Stable Outlook	Aa3 Stable Outlook	Aa3 Stable Outlook

Up-to-date rating reports [48]

- For a current Midroog rating report, please see the immediate report published by the Company on April 16, 2024 (Ref: 2024-01-038011), a rating report dated August 27, 2024 (Ref: 2024-01-094780) and a rating report dated December 15, 2024 (Ref: 2024-01-624405).
- For a current rating report by Maalot, the Israeli Securities Rating Company Ltd., please see the immediate report dated April 18, 2024 (Ref: 2024-01-039472) and the rating report dated August 27, 2024 (Ref: 2024-01-097486). And the rating report dated December 15, 2024 (Ref: 2024-01-624406).

46. in January 2012, Maalot announced the ratification of its ilA rating with a stable outlook for the Company's bonds in circulation and for the raising of debt through a new bond series. In January 2013, Maalot announced that it was raising the Company's rating to A+ with a stable outlook. In October 2014, Maalot ratified its ilA+ rating for the bond series in circulation and raised the outlook from stable to positive. In December 2014, Maalot confirmed its rating of ilA+ with a positive outlook for the bond series in circulation. In May 2015, Maalot announced that it was raising the Company's rating to ilAA- with a stable outlook. In November 2015, Maalot determined its rating of ilAA- with a stable outlook for the issue of new bonds (Series I and Series J). In July 2019, Maalot determined its rating of ilAA- with a stable outlook for the issue of new bonds (Series K and Series L). In September 2022, Maalot determined its rating of ilAA- with a stable outlook for the issue of new bonds (Series M), (Series N) and (Series O). In April 2024, Maalot informed the Company of an update to the rating outlook to negative.

47. In January 2012, Midroog announced the ratification of its A1 rating with a stable outlook for the Company's bonds in circulation and for the raising of debt through a new bond series. In January 2014, Midroog announced that it was ratifying the rating of ilA for the Company and for the bond series in circulation, and raising the outlook from stable to positive. In December 2014, Midroog announced that it would be raising the rating of thee bonds in circulation from A1 with a positive outlook to Aa3 with a stable outlook. In November 2015, Midroog determined its rating of ilAa3 with a stable outlook for the issue of new bonds (Series I and Series J). In July 2019, Midroog determined its rating of ilAa3 with a stable outlook for the issue of new bonds (Series L). In September 2022, Midroog determined its rating of ilAa3 with a stable outlook for the issue of new bonds (Series M), (Series N) and (Series O). In April 2024, Midroog informed the Company of an update to the rating outlook from stable to negative. In addition, Midroog assigned the Company an issuer rating of Aa3.il with a negative rating outlook.

48. The information detailed in the above immediate reports was included in this report by way of reference.

Appendix F – Material Assets[49]

The following is information regarding a material asset - the Dovetail Building, an investment property in development:

Parameters	31/12/2024
Subject of the valuation	Investment property
Property name	Dovetail Building
Property location	Houndsditch, London, EC3
Holding structure in the property	BE holds 100% indirectly in the property
Property acquisition date	March 2019
Identity of valuer	John Barham - Cushman & Wakefield
Type of valuer	Cushman & Wakefield – Mr. John Barham, Certified Valuer since 1989, registered as a Valuer on behalf of RICS (Royal Institute of Certified Reviewers). Mr. Barham has specialized in valuations of income-generating properties in central London since 2000. He serves as Team Head of Income-Generating Property Valuation in Central London at C&W. The team is regularly responsible for property valuations amounting to approx. GBP 100 billion in central London. Mr. Barham has signed reports on the properties - British Land (Broadgate and Canada Water), properties held by "Ho Bee Land, The Walkie Talkie", and Nuveen's Central London Office Fund assets.
Independent valuer?	Independent - External valuer as defined by the RICS
Indemnity agreement?	No
Validity date of the valuation (the date to which the appraisal refers)	31.12.2024
Valuation model	Extraction method
Main Use	Offices

	2024[50]
Cumulative cost at end of year (including land) in GBP millions	138
Fair value at end of year in GBP millions	135
Book value at end of year in NIS millions	620
Revaluation gains in GBP millions	14
Completion rate	Non-material

The following is a summary of additional key data regarding the valuation:

Parameters	2024
Estimated construction budget (not including the land cost)	GBP 530 million
Expected NOI upon full occupancy	GBP 45 million
Rent free months	24-36
Discount rate	5%
Entrepreneurial profit rate over cost	15%
Rental area	462 sq.ft.
Rate of property areas for which binding leases were signed at end of year	-
Main use	Offices
Date of project start	H1/2024
Date of project end	H2/2029

49. In accordance with the proposed amendment to the Securities Regulations to establish "Disclosure Guidance regarding Investment Real Estate Activities" from December 2023.
50. The property was classified as property in development as of December 31, 2024, and therefore the disclosure regarding a material property in development was provided as of this date.

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

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

Appendix H – FFO for Financial Liabilities and Trust Deed Purposes

The FFO is an index commonly-used in the United States and in Europe to provide additional information on the results of the operations of real estate companies, providing an appropriate basis for comparisons between income-generating property companies. the FFO reflects net income, with the neutralization of profits (or losses) from the sale of properties and/or from property revaluations, depreciation and amortization and deferred taxes. This index presents the Company's cash generating capability from regular and ongoing activities in the reporting period.

In the calculation of the FFO in the income-generating real estate activity (in the investees mentioned below), exchange rate differences and linkage difference expenses in respect of CPI-linked bonds and loans were not included because, in the opinion of the investees' managements, those expenses do not reflect cash flow from regular ongoing activities (hereinafter - "**FFO according to the Management Approach**").

According to the position of the Securities Authority, FFO data according to the Securities Authority's approach has been added, in addition to the FFO according to the management's approach. The FFO according to the Securities Authority's approach includes, among other things, the exchange rate differences and the linkage difference expenses for index-linked bonds and loans (hereinafter - "**FFO according to the Securities Authority's approach**").

For information regarding the FFO of the investees Amot, BE, Carr and AH Boston, please see Sections 2.34, 2.35, 2.36 and 2.37, respectively.

It should be noted that throughout this periodic report (of which this Board of Directors' Report forms a part), whenever the "FFO" is mentioned, it refers to the FFO according to management's approach unless expressly stated otherwise.

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

Appendix H – FFO Adjusted to the Company's Liabilities

	2024	2023	2022
	NIS thousands	NIS thousands	NIS thousands
Company shareholders' share in net income (loss) for the period	**(346,199)**	**(2,392,409)**	**(281,467)**
Adjustments to profit and loss:			
Fair value adjustments of investment property	(607,208)	926,169	(685,918)
Company share in real estate revaluations and other non-FFO items in investees	702,641	1,892,409	1,117,433
Profit from decrease in rate of holding, from purchase and realization of investees	(23)	(449)	(20,391)
Net losses (profits) from investments in securities measured at fair value through profit or loss	231,945	17,299	1,351
Others (mainly depreciation and amortizations) (*)	208,458	168,145	108,427
Non-FFO financing expenses (mainly linkage differences and exchange rate differences)	354,889	317,157	369,399
Non-FFO deferred taxes and current taxes, net	(15,835)	(3,800)	(111,843)
Share of non-controlling interests in the above adjustments to FFO	7,557	(324,468)	115,961
FFO - according to the Management's approach	**536,225**	**600,053**	**612,952**
The sources of the FFO are as follows:			
Revenues			
Investment property NOI	1,208,724	1,152,065	1,071,118
NOI from the sale of electricity (**)	693,658	560,965	451,570
Group's share in Carr's FFO without real estate revaluations	110,216	120,792	109,082
Group's share in AH Boston's FFO without real estate revaluations	29,899	40,351	31,605
Group's share in FFO of associates in Amot and in Brockton Everlast	22,348	27,269	23,155
Other revenues	30,498	1,199	2,281
Total revenues	**2,095,343**	**1,902,641**	**1,688,811**
Expenses			
Real financing, net	(632,409)	(474,368)	(343,245)
Administrative and general	(245,391)	(181,565)	(164,257)
Current taxes	(93,470)	(81,616)	(64,279)
Share of non-controlling interests attributed to operating activities	(587,848)	(565,039)	(504,078)
Total expenses	**(1,559,118)**	**(1,302,588)**	**(1,075,859)**
FFO - according to the Management's approach	**536,225**	**600,053**	**612,952**

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

CONSOLIDATED FINANCIAL STATEMENTS

ALONY HETZ PROPERTIES & INVESTMENTS LTD

AlonyHetz
Properties & Investments Ltd

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

	Note	As of December 31 2024 NIS thousands	As of December 31 2023 NIS thousands
Assets			
Current assets			
Cash and cash equivalents	3a	1,524,326	2,197,677
Deposits and designated deposit	3d	30,940	641,620
Trade receivables		115,629	115,662
Current tax assets, net	20	29,777	19,632
Other receivables	3c	302,817	233,731
Assets designated for sale		-	177,825
Total current assets		2,003,489	3,386,147
Non-current assets			
Investment property	4	19,846,080	19,369,345
Investment property in development and land rights	4	5,160,484	4,349,731
Long-term investments:			
Securities measured at fair value through profit and loss	5	218,459	222,222
Investment in companies accounted for using the equity method	6	2,084,985	2,550,500
Deferred tax assets	21	233,675	209,184
Electricity-generating facilities:			
Connected electricity-generating facilities	7	5,674,033	5,216,734
Right-of-use asset	7	617,966	511,443
Electricity-generating facilities in development	8	3,620,530	2,370,899
Pledged deposits	9	30,005	19,942
Fixed assets, net		120,407	117,664
Other assets	9	437,530	407,355
Total non-current assets		38,044,154	35,345,019
Total assets		40,047,643	38,731,166

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

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

		As of December 31	
		2024	2023
	Note	NIS thousands	NIS thousands
Liabilities and equity			
Current liabilities			
Short-term credit and current maturities of long-term loans	10a	850,251	1,832,563
Current maturities of bonds	11	1,048,061	1,292,791
Current maturities of lease liabilities	2n	35,808	30,617
Current tax liabilities, net	21	133,592	174,700
Payables and credit balances	10b	1,644,680	1,309,356
Deferred revenue for agreement with tax partner	13	228,112	186,381
Financial liability for agreement with tax partner	13	47,095	34,296
Total current liabilities		3,987,599	4,860,704
Non-current liabilities			
Bonds	11	14,192,726	14,352,564
Loans from banking corporations and financial institutions	12	5,991,375	4,654,061
Lease liability	2n	676,820	562,431
Deferred tax liabilities	20	2,038,435	1,858,015
Provisions	16	16,483	16,483
Other liabilities	15	865,665	763,054
Deferred revenue for agreement with tax partner	13	549,025	473,343
Financial liability for agreement with tax partner	13	96,989	126,388
Total non-current liabilities		24,427,518	22,806,339
Equity			
Equity attributed to Company shareholders	17	5,413,576	5,002,057
Non-controlling interests		6,218,950	6,062,066
Total equity		11,632,526	11,064,123
Total liabilities and equity		40,047,643	38,731,166

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

On behalf of the Board of Directors:

Aviram Wertheim______________ Chairman of the Board of Directors

Nathan Hetz______________ Member of the Board of Directors and CEO

Oren Frenkel ______________ Chief Financial Officer

March 10, 2025

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

	Note	For the year ended December 31 2024 NIS thousands	For the year ended December 31 2023 NIS thousands	For the year ended December 31 2022 NIS thousands
Revenues and profits				
Revenues from rental fees and management of investment property	18a	1,389,184	1,324,063	1,219,178
Fair value adjustments of investment property	18b	607,208	(926,169)	685,918
Group share in the profits (losses) of associates, net	6f	(540,178)	(1,703,997)	(953,589)
Net losses from investments in securities measured at fair value through profit and loss		(227,508)	(17,299)	(1,351)
Profit from decrease in rate of holding, from purchase and realization of associates		23	449	20,391
Revenues from sale of electricity and green certificates		856,210	680,713	525,437
Other revenues, net		26,010	1,199	2,089
		2,110,949	(641,041)	1,498,073
Costs and expenses				
Cost of investment property rental and operation	18c	180,460	168,894	146,800
Development, maintenance and operation costs of electricity-generating facilities		121,400	110,801	56,141
Depreciation and amortizations		228,141	159,963	112,398
Administrative and general	18d	266,809	201,798	179,082
Financing income	18f	(92,140)	(96,590)	(80,078)
Financing expenses	18e	1,079,438	888,115	792,722
		1,784,108	1,432,981	1,207,065
Profit before taxes on income		326,841	(2,074,022)	291,008
Income tax expenses (income)	21	77,635	77,816	(47,564)
Net profit for the period		249,206	(2,151,838)	338,572
Company shareholders		**(346,199)**	**(2,392,409)**	**(281,467)**
Non-controlling interests		595,405	240,571	620,039
		249,206	(2,151,838)	338,572
Net earnings (loss) per share attributed to Company shareholders (in NIS):	20			
Basic		(1.81)	(13.31)	(1.60)
Fully diluted		(1.81)	(14.15)	(1.67)
Weighted average of share capital used in calculation of earnings per share (thousands of shares)				
Basic		191,054	179,722	176,049
Fully diluted		191,054	179,722	176,049

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

	For the year ended December 31 2024 NIS thousands	For the year ended December 31 2023 NIS thousands	For the year ended December 31 2022 NIS thousands
Net profit for the period	249,206	(2,151,838)	338,572
Other comprehensive income (loss)			
Amounts to be classified in the future to profit or loss, net of tax			
Profit (loss) from the translation of financial statements for foreign activities	(23,218)	719,644	697,288
Profit (loss) from exchange rate differences in respect of credit and derivatives designated for the hedging of investments in companies that constitute foreign activity, net of tax	(65,473)	(664,736)	(482,816)
Profit (loss) from exchange rate differences and changes in fair value of instruments used for cash flow hedging, net of tax	(15,648)	17,805	(33,410)
Company's share in other comprehensive income of associates, net of tax	(26,849)	(18,625)	32,593
Other comprehensive income (loss) for the period, net of tax	(131,188)	54,088	213,655
Total comprehensive income (loss) for the period	118,018	(2,097,750)	552,227
Distribution of comprehensive income (loss) for the period			
Company shareholders	**(443,351)**	**(2,425,233)**	**(53,496)**
Non-controlling interests	561,369	327,483	605,723
	118,018	(2,097,750)	552,227

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

Alony-Hetz Properties and Investments Ltd. | Consolidated Statements of Changes in Equity for the Year ended December 31, 2024 (NIS thousands)

	Share capital	Share premium	Receipts on account of options	Capital reserve from the translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
Balance as of January 1, 2024	197,796	2,807,638	-	(569,499)	431,219	(589)	2,135,492	5,002,057	6,062,066	11,064,123
Total comprehensive income for the period	-	-	-	(67,308)	(29,844)	-	(346,199)	(443,351)	561,369	118,018
Dividend paid to Company shareholders	-	-	-	-	-	-	(138,152)	(138,152)	-	(138,152)
Dividend paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	-	(472,563)	(472,563)
Issuance of shares and options	35,311	940,875	27,626	-		-	-	1,003,812		1,003,812
Expiry of employee options	-	3,468	-	-	(3,468)	-	-	-	-	-
Allocation of benefit in respect of options to employees and officers	-	-	-	-	4,323	-	-	4,323	31,038	35,361
Issuance of capital in consolidated companies	-	-	-	-	1,436	-	-	1,436	94,113	95,549
Acquisition of shares from non-controlling interests in a consolidated company	-	-	-	-	(16,549)	-	-	(16,549)	(57,073)	(73,622)
Balance as of December 31, 2024	233,107	3,751,981	27,626	(636,807)	387,117	(589)	1,651,141	5,413,576	6,218,950	11,632,526

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

Alony-Hetz Properties and Investments Ltd. | Consolidated Statements of Changes in Equity for the Year ended December 31, 2023 (NIS thousands)

	Share capital	Share premium	Capital reserve from the translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
Balance as of January 1, 2023	197,796	2,795,162	(551,365)	478,680	(589)	4,790,295	7,709,979	5,881,441	13,591,420
Total comprehensive income for the period	-	-	(18,134)	(14,690)	-	(2,392,409)	(2,425,233)	327,483	(2,097,750)
Dividend paid to Company shareholders	-	-	-	-	-	(262,394)	(262,394)	-	(262,394)
Dividend paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	(432,386)	(432,386)
Expiry of employee options	-	12,476	-	(5,711)	-	-	6,765	(6,765)	-
Allocation of benefit in respect of options to employees and officers	-	-	-	4,148	-	-	4,148	35,534	39,682
Issuance of capital in consolidated companies	-	-	-	1,521	-	-	1,521	63,329	64,850
Sale of shares to non-controlling interests in a consolidated company	-	-	-	(2,928)	-	-	(2,928)	222,918	219,990
Acquisition of shares from non-controlling interests in a consolidated company	-	-	-	(29,801)	-	-	(29,801)	(29,488)	(59,289)
Balance as of December 31, 2023	197,796	2,807,638	(569,499)	431,219	(589)	2,135,492	5,002,057	6,062,066	11,064,123

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

Alony-Hetz Properties and Investments Ltd. | Consolidated Statements of Changes in Equity for the Year ended December 31, 2022 (NIS thousands)

	Share capital	Share premium	Capital reserve from the translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
Balance as of January 1, 2022	192,112	2,514,378	(746,743)	309,109	(589)	5,369,907	7,638,174	4,191,390	11,829,564
Total comprehensive income for the period	-	-	195,378	32,593	-	(281,467)	(53,496)	605,723	552,227
Dividend paid to Company shareholders	-	-	-	-	-	(298,145)	(298,145)	-	(298,145)
Dividend paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	(353,586)	(353,586)
Issuance of capital	5,319	265,863	-	-	-	-	271,182	-	271,182
Exercise of employee options	365	14,921	-	(1,661)	-	-	13,625	-	13,625
Allocation of benefit in respect of options to employees and officers	-	-	-	3,518	-	-	3,518	25,179	28,697
Issuance of capital in consolidated companies	-	-	-	165,559	-	-	165,559	1,425,392	1,590,951
Acquisition of shares from non-controlling interests in a consolidated company	-	-	-	(30,438)	-	-	(30,438)	(12,657)	(43,095)
Balance as of December 31, 2022	197,796	2,795,162	(551,365)	478,680	(589)	4,790,295	7,709,979	5,881,441	13,591,420

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

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

	For the year ended December 31 2024	For the year ended December 31 2023	For the year ended December 31 2022
	NIS thousands	NIS thousands	NIS thousands
Cash flows - Operating activities			
Net profit (loss) for the period	249,206	(2,151,838)	338,572
Net income (expenses) not entailing cash flows (Appendix A)	1,051,783	3,147,558	876,508
	1,300,989	995,720	1,215,080
Changes in working capital (Appendix B)	(236,656)	124,977	(585,917)
Net cash provided by operating activities	1,064,333	1,120,697	629,163
Cash flows - Investing activities			
Investment in fixed assets and investment property (including investment property in development)	(864,383)	(655,762)	(1,158,580)
Proceeds from the realization of investment property, net of tax	333,570		
Investment in electricity-generating systems	(1,428,938)	(2,279,175)	(1,131,008)
Investment in associates	(124,240)	(51,213)	(258,340)
Decrease (increase) in pledged deposit and restricted cash	636,054	(587,164)	(7,222)
Repayment of loans provided to associates, net	4,000	3,950	112,886
Repayment (provision) of loans to others	(28,167)	(65,254)	13,730
Decrease (increase) in deposits and tradable securities, net	-	400,000	(400,000)
Cash from forward transactions and options designated for hedging	(388,117)	(549,292)	35,592
Proceeds from the realization of long-term securities and securities held for sale, net of tax, including tax refund	-	-	20,000
Net investment in investment property funds	(68,598)	-	(4,418)
Acquisition of consolidated companies (Appendix E)	-	-	(298,057)
Others	-	353	25,932
Net cash used in investing activities	(1,928,819)	(3,783,557)	(3,049,485)
Cash flows - Financing activities			
Proceeds from the Group's bond issue, net	555,078	1,972,385	3,037,381
Repayment of bonds	(1,299,833)	(1,299,986)	(1,180,892)

	For the year ended December 31 2024 NIS thousands	For the year ended December 31 2023 NIS thousands	For the year ended December 31 2022 NIS thousands
Receipt of long-term loans, net of capital raising expenses paid	2,055,653	2,503,494	243,872
Repayment of long-term loans	(978,682)	(501,831)	(360,725)
Proceeds from the issue of shares and options	1,003,812	-	294,672
Proceeds from the issue of shares and options to non-controlling interests in consolidated companies	92,154	41,457	1,591,266
Sale of shares to non-controlling interests in consolidated companies, net	-	219,990	-
Acquisition of shares and options from non-controlling interests in consolidated companies, net	(58,961)	(24,243)	(38,138)
Increase (decrease) in short-term credit and in utilized long-term credit facilities from banks	(548,551)	882,905	(3,820)
Dividend paid to Company shareholders	(138,152)	(262,394)	(298,145)
Dividend paid to non-controlling interests in consolidated companies	(472,563)	(432,386)	(353,586)
Net cash provided by financing activities	209,955	3,099,391	2,931,885

	For the year ended December 31	For the year ended December 31	For the year ended December 31
	2024	2023	2022
	NIS thousands	NIS thousands	NIS thousands
Increase (decrease) in cash and cash equivalents	(654,531)	436,531	511,563
Cash and cash equivalents at beginning of period	2,197,677	1,694,701	1,163,289
Balance of designated deposit at beginning of period	3,627	34,435	30,443
Effect of changes in exchange rates on foreign currency cash balances	5,484	35,637	23,841
Cash and cash equivalents and designated deposit at end of period	1,552,257	2,201,304	1,729,136
Less - Balance of designated deposit at end of period	27,931	3,627	34,435
Total cash and cash equivalents	1,524,326	2,197,677	1,694,701

Alony-Hetz Properties and Investments Ltd. | Appendices to the Consolidated Statements of Cash Flows

Adjustments required to present cash flows from operating activities

	For the year ended December 31 2024	For the year ended December 31 2023	For the year ended December 31 2022
	NIS thousands	NIS thousands	NIS thousands
Adjustments required to present cash flows from operating activities			
a. Expenses (income) not entailing cash flows:			
Fair value adjustment of investment property and profit from its realization	(607,209)	926,169	(685,919)
Net profits from changes in holding rate and from realization of investments in investees	(23)	(449)	(20,391)
Differences from adjustments, interest and discounting in respect of long-term liabilities and cash balances	474,223	324,327	496,504
Loss (profit) from fair value adjustment of financial assets at fair value through profit and loss	222,102	(719)	(1,570)
Company share in results of associates, net of dividends and capital reductions received	569,073	1,733,948	993,100
Deferred taxes, net	170,419	(46,511)	(42,419)
Depreciation and amortizations	200,666	165,273	112,406
Allocation of benefit in respect of share-based payment	24,222	34,069	25,261
Others, net	(1,690)	11,451	(464)
	1,051,783	3,147,558	876,508
b. Changes in asset and liability items (changes in working capital):			
Decrease (increase) in trade receivables and in other receivables	(49,116)	(2,754)	(138,811)
Decrease (increase) in current tax assets, net	(5,839)	30,103	(52,369)
Increase (decrease) in payables and credit balances	(26,432)	(10,169)	(16,018)
Increase (decrease) in current tax liabilities, net	(156,805)	110,149	(372,972)
Purchase of CAP options	1,536	(2,352)	(5,747)
	(236,656)	124,977	(585,917)
c. Non-cash activity			
Increase in provision for evacuation and restoration against systems in development	18,796	64,055	-
Investment of non-controlling interests	-	20,820	-
Exercise of employee options against receivables	12,353	10,189	-
Investment in electricity-generating systems against supplier credit and payables	855,213	440,014	49,294
Realization of investment property against receivables	8,250	-	-

	For the year ended December 31 2024	For the year ended December 31 2023	For the year ended December 31 2022
	NIS thousands	NIS thousands	NIS thousands
Increase in right-of-use asset against lease liabilities	134,076	123,421	160,706
Investment in real estate and fixed assets against other payables and credit balances	61,761	24,882	24,473
d. Additional information			
Interest paid	593,261	559,420	404,206
Interest received	83,458	54,977	9,249
Taxes paid (*)	89,588	74,297	406,979
Taxes received (**)	11,739	14,696	22,831
Dividend and capital reductions received	21,017	27,459	55,786

(*) The taxes paid in 2022 include a payment in the amount of NIS 362 million, which are payments on account of tax arrangements of the Company and a subsidiary (for additional information, see Note 21).

(**) The taxes received in 2022 include a tax refund in the amount of NIS 20 million, classified as an investing activity.

	For the year ended December 31	For the year ended December 31	For the year ended December 31
	2024	2023	2022
	NIS thousands	NIS thousands	NIS thousands
e. Acquisition of companies consolidated for the first time			
1. Acquisition of buildings through the acquisition of house companies			
Amounts recognized on the acquisition date in respect of assets and liabilities:			
Investment property	-	-	532,061
Loans from banking corporations and financial institutions	-	-	(258,434)
Derivative financial instruments	-	-	32,573
Working capital	-	-	(8,143)
	-	-	298,057
Net cash flow			
Total proceeds	-	-	298,057
	-	-	298,057