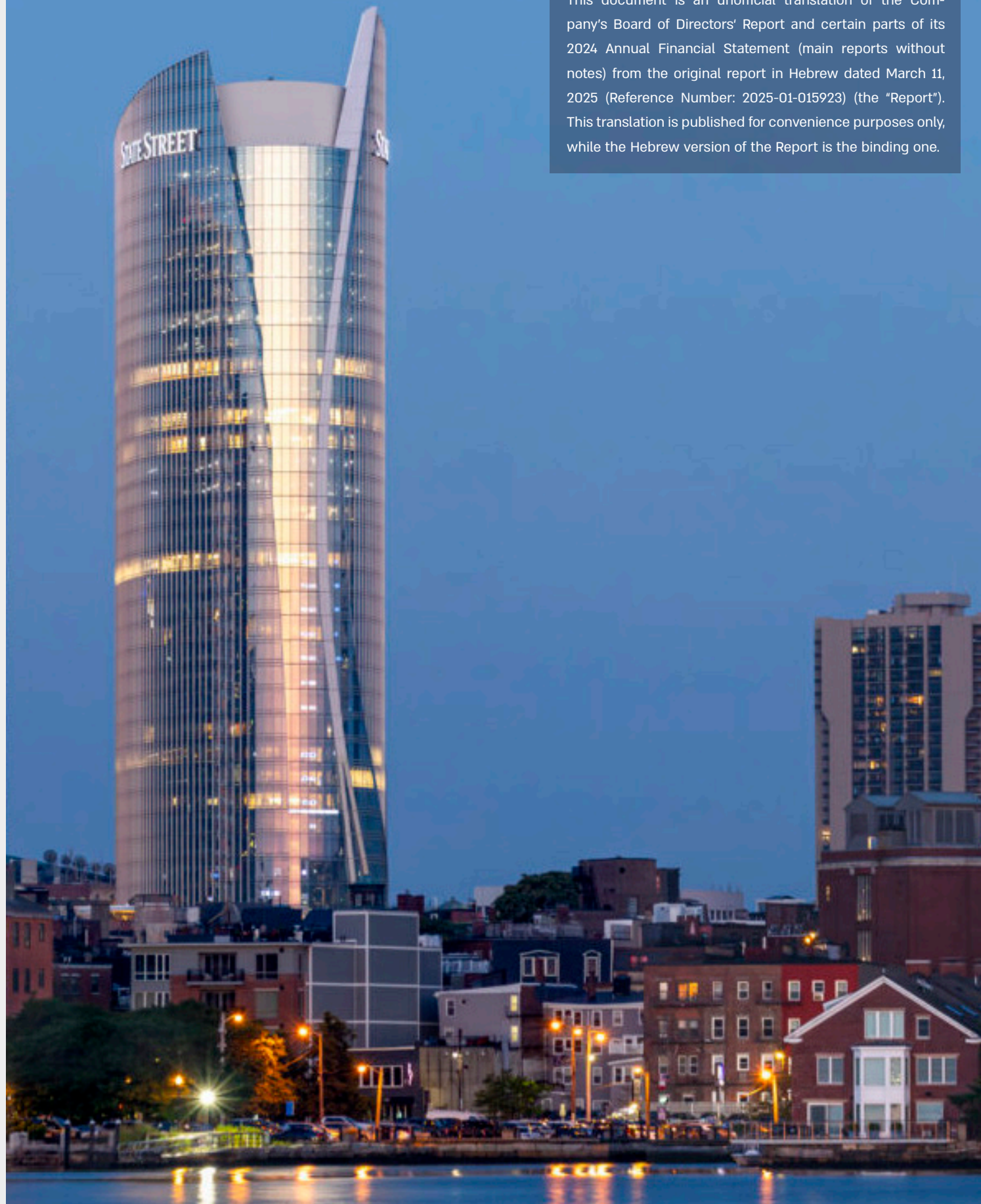


This document is an unofficial translation of the Company's Board of Directors' Report and certain parts of its 2024 Annual Financial Statement (main reports without notes) from the original report in Hebrew dated March 11, 2025 (Reference Number: 2025-01-015923) (the "Report"). This translation is published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



QUARTERLY REPORT AS OF SEPTEMBER 30 2025

ALONY HETZ PROPERTIES & INVESTMENTS LTD



Properties & Investments Ltd



DESCRIPTION OF THE CORPORATION'S BUSINESS

ALONY HETZ PROPERTIES & INVESTMENTS LTD



Properties & Investments Ltd

Board of Directors' Report for the Nine- and Three-Month Periods ended September 30, 2025

The Board of Directors of Alony-Hetz Properties and Investments Ltd. (hereinafter - the "**Company**") is pleased to submit the Company's Board of Directors' Report for the nine- and three-month periods ended September 30, 2025 (hereinafter - the "**Reporting Period**"). This Board of Directors' Report and its updates were prepared on the assumption that the reader has access to the Company's periodic report for the year 2024, which the Company published on March 11, 2025 (Ref: 2025-01-015923), including the "Description of the Corporation's Business" chapter, the "Report of the Board of Directors on the Status of the Corporation's Business" and the "Consolidated Financial Statements" (hereinafter, collectively - the "**2024 Periodic Report**").

1. Concise description of the Group

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

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

1.1 The Group's main income-generating property investments as of September 30, 2025:

Activity in Israel

Holdings at a rate of 50.04% 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 of 79.03% in Carr Properties (hereinafter - "**Carr**"), a private company, a private company with income-generating property operations whose properties are located in the United States, in the Washington D.C. area, in Boston and in Austin, Texas.
- In July 2025, Carr completed the redemption of JPM's holdings and at that time the Company invested USD 100 million in Carr. As a result, the Company obtained control of Carr. For additional information, please see Section 2.3.5.2 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 (hereinafter - "**AH Boston**"). Two of the properties are in the Boston CBD and one is in East Cambridge. For additional information, please see Section 2.3.6 below.

¹ Holdings of 88.66% in the rights in Carr Properties Holding LP, an American partner that holds (through indirect holdings) a rate of 89.14% in a partnership with real estate holdings, and therefore, the Company effectively holds 79.03% of Carr's real estate activity.

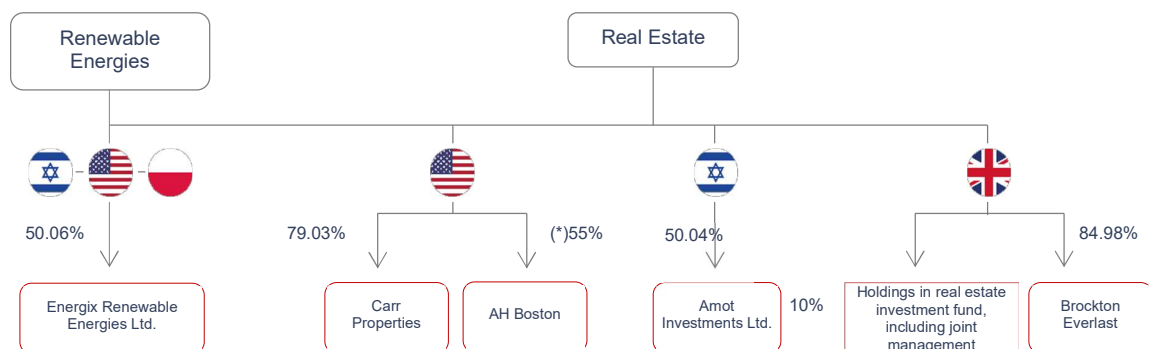
Activity in the UK

- A holding rate of 84.98% in Brockton Everlast Inc. Limited (hereinafter - "**BE**"), a private company engaged in the purchase, development and betterment, construction, management and maintenance of income-generating property in the London, Cambridge and Oxford metropolitan areas in the UK. For additional information, please see Section 2.3.7 below.
- Holdings in a UK real estate fund from the Brockton group.

1.2 The Group's investments in the renewable energy field as of September 30, 2025:

Holdings of 50.06% in Energix - Renewable Energies Ltd. (hereinafter - "**Energix**"), a public company whose securities are listed for trading on the Tel Aviv Stock Exchange Ltd. Energix engages in the initiation, development, financing, construction, management and operation of facilities for the electricity generation from renewable energy sources, storage and sale of electricity generated in these facilities, with the intention of holding them for the long term. As of the date of the report, Energix has operations in Israel, Poland and in the United States. For additional information, please see Section 2.3.8 below.

1.3 The following are the Group's main holdings as of September 30, 2025:



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

1.4 Stock Market Indices

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

1.5 Main events from the beginning of 2025 to the date of publication of the report

Alony-Hetz (the Company expanded solo)	<ul style="list-style-type: none"> Control gained in Carr in the completion of the transaction redeeming JPM's holdings in Carr, an investment of USD 100 million and an increase to a holding of 79.03%. For information, please see Section 2.3.5.2 below. Investment of NIS 150 million in a public offering of shares and options (Series 12) exercisable for Amot shares. Debt raising for a total (net) consideration of approx. NIS 770 million, through the expansion of bonds (Series M) and the initial issuance of the bonds (Series P) and (Series Q). Capital issuance for a consideration of NIS 33 million following the exercise of options (Series 16) and non-tradable options.
Amot Investments	<ul style="list-style-type: none"> Debt raising through the expansion of bonds (Series J) for a total net consideration of approx. NIS 665 million. Capital raising for an immediate net consideration of approx. NIS 505 million and a future consideration (assuming full exercise of the options) of approx. NIS 290 million.
Brockton Everlast	<ul style="list-style-type: none"> Start of construction of the Dovetail building in the City of London (the project is in the excavation and reinforcement stage). Approval of a zoning plan for the establishment of a science park in the Cambridge Science Park on a total rental area of 720 thousand sq ft.
Carr Properties - during the reporting period	<ul style="list-style-type: none"> Completion of the transaction redeeming JPM's holdings in exchange for the transfer of full ownership of 3 properties to JPM. Sale of two properties for a total consideration of USD 120 million. Engagement in a new loan agreement for the One Congress building in the amount of USD 650 million, replacing a construction financing loan in the amount of USD 570 million. Engagement in a loan agreement in the amount of USD 278 million against a lien on three Carr properties.
Carr Properties - after the date of the report	<ul style="list-style-type: none"> Purchase of an office building for USD 25 million to be demolished and for the construction of a residential rental building in its place with a total rental area of 220 thousand sq ft in Washington, D.C.
Energix Renewable Energies	<ul style="list-style-type: none"> USA - Commercial operation of 4 projects from the E4 backlog with a capacity of 148 MWp and investment of tax partners in the amount of approx. USD 75 million (from a total of USD 176 million), including as part of the framework transaction with Google. Receipt of a project financing credit facility in the amount of up to USD 491 million for the financing of the construction of projects with a capacity of 270 MWp from the E5 project backlog. Signing of a tax partner agreement in the amount of approx. USD 275 million for projects with a capacity of 210 MWp from the E5 backlog. Poland - Receipt of permits for the connection to the electricity grid in Poland with a total capacity of approx. 2.1 GW (solar and wind) and approx. 1.3 GWh (storage). Lithuania - Estimates for the completion of the first project's acquisition in Lithuania (140 MW wind, 330 MWp photovoltaic and 520 MWh storage). Debt raising through the expansion of bonds (Series A) in the amount of NIS 549 million for a total net consideration of approx. NIS 504 million.

1.6 Summary of the main data - the Group

Main financial results - Consolidated Statements		1-9/2025 2025	1-9/2024	Q3 2025	Q3 2024	Year 2024	% Change²
	Unit	2025	2024	2025	2024	2024	
Revenue from rental fees and management of investment property	NIS thousands	1,180,191	1,036,659	477,896	360,977	1,389,184	13.8
Fair value adjustments of investment property	NIS thousands	313,291	313,241	18,201	301,614	607,208	-
Group share in the profits (losses) of associates, net	NIS thousands	57,499	(477,744)	4,923	(60,665)	(540,178)	(112.0)
Revenue from sale of electricity and green certificates	NIS thousands	562,911	645,627	197,759	209,561	856,210	(12.8)
Profit (loss) before the effect of the realization of capital reserves due to the first-time consolidation of Carr	NIS thousands	768,578	(28,296)	311,992	244,584	249,206	
Realization of capital reserves due to the first-time consolidation of Carr	NIS thousands	(396,451)	-	(396,451)	-	-	-
Net profit (loss) for the period	NIS thousands	372,127	(28,296)	(84,459)	244,584	249,206	(1,415.1)
Net profit (loss) for the period attributed to Company shareholders	NIS thousands	(13,518)	(436,249)	(214,824)	43,362	(346,199)	(96.9)
Comprehensive income (loss) for the period, attributed to Company shareholders	NIS thousands	99,673	(321,419)	39,032	89,567	(443,351)	(131.0)
Total balance sheet	NIS thousands	47,299,199	39,258,493			40,047,643	18.1
Equity (including non-controlling interests)	NIS thousands	12,689,079	11,060,715			11,632,526	9.1
Financial debt (bank credit and bonds) ³	NIS thousands	28,208,002	22,399,599			22,419,722	25.8
Net financial debt ⁴	NIS thousands	26,187,288	21,359,124			20,895,396	25.3
Ratio of net financial debt to total balance sheet ⁵	%	57.8	55.9			54.2	
Main financial results - Expanded Solo⁶							
Total balance sheet	NIS thousands	11,656,610	10,909,282			11,329,550	2.9
Equity attributed to Company shareholders	NIS thousands	5,431,606	4,888,644			5,413,576	3.
Financial debt (bank credit and bonds) ³	NIS thousands	6,092,825	5,981,337			5,825,236	4.6
Net financial debt ⁴	NIS thousands	5,840,990	5,772,105			5,183,474	12.7
Ratio of net financial debt to total balance sheet ⁴	%	51.2	53.9			48.5	
Earnings (loss) per share data							
Earnings (loss) per share - basic	NIS	(0.06)	(2.37)	(1.0)	0.23	(1.81)	(97.5)
Comprehensive income (loss) per share - basic	NIS	0.46	(1.67)	0.18	0.46	(2.32)	(127.6)
Current dividend per share	NIS	0.72	0.54	0.24	0.18	0.72	33.3
NAV per share	NIS	25.14	25.33			25.18	(.2)
NNAV per share ⁷	NIS	29.54	30.23			29.65	(.4)
Price per share at end of period	NIS	39.26	28.55			30.40	29.1

2. Balance sheet data of September 30, 2025 compared to December 31, 2024. Result data of 1-9/2025 compared to 1-9/2024.

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

4. Financial debt presented net of cash balances. The Company's financial debt (expanded solo) as of September 30, 2025 and December 31, 2024 is the financial debt less cash balances.

5. Net financial debt as a percent of total balance sheet, less cash balances. The Company's net financial debt (expanded solo) as of September 30, 2025 and December 31, 2024 is the financial debt less cash balances.

6. In the expanded solo balance sheet, the investment in Amot, Energix, BE and in Carr 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).

7 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

		1-9/2025	1-9/2024	Q3 2025	Q3 2024	Year 2024	% Change ⁸
Investment in Israel - Amot Investments Ltd.							
(rate of holdings as of September 30, 2025 - 50.04%)⁹							
Number of income-generating properties	Unit	111	112			112	
Value of investment property (not including property in development)	NIS thousands	17,619,481	17,162,555			17,294,792	1.9
Weighted discount rate derived from investment property	%	6.36	6.45			6.42	
Occupancy rate at end of period	%	92.6	93.2			92.3	
Value of investment property in self-development	NIS thousands	3,529,782	3,168,237			3,316,001	6.4
Ratio of net financial debt to total balance sheet	%	42.5	44.1			44.0	
NOI ¹⁰	NIS thousands	791,800	777,679	264,676	264,056	1,042,713	1.8
FFO ¹¹ per share - according to the Management's approach	NIS	1,284	1,308	0,423	0,442	1,746	(1.8)
NAV per share	NIS	19.78	19.21			19.44	1.7
Price per share at end of period	NIS	24.70	16.09			20.64	20.0
Investment in the United States - Carr Properties Corporation (effective rate of holdings as of September 30, 2025 - 79.03%)¹²							
Number of income-generating properties	Unit	7	12			12	
Value of investment property (not including property in development)	USD thousands	1,668,930	1,996,374			1,976,408	
Rental rate at end of period	%	91.8	89.00			89.4	
Number of properties in development	Unit	2	2			2	
Value of self-developed properties	USD thousands	36,383	48,922			48,406	(44.6)
Ratio of net financial debt to total balance sheet	%	61.8	61.9			64	
¹³ NOI	USD thousands	106,768	114,062	31,877	35,484	151,879	(6.4)
FFO ¹⁴	USD thousands	45,146	47,360	11,559	14,857	62,458	(4.7)

8. Balance sheet data of September 30, 2025 compared to December 31, 2024. Result data of 1-9/2025 compared to 1-9/2024.

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

10. Net operating income.

11. Funds from operations.

12. 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. For additional information regarding Carr's business development after the reporting period, please see Section 2.3.5.2.

13. Including NOI from property management

14. According to the Management's approach

1.8 Summary of the main data - Investees (continued)

		1-9/2025 2025	1-9/2024 2024	Q3 2025	Q3/2024	2024	% Change
Investment in the UK - Brockton Everlast Inc. Limited (rate of holdings as of September 30, 2025 - 84.98%)							
Number of income-generating properties	Unit	11	10			10	
Value of investment property	GBP thousands	705,800	673,000			690,500	2.2
Occupancy rate at end of period	%	96.0	97.9			97.3	
Value of land for initiation	GBP thousands	471,050	402,000			421,450	11.8
Ratio of financial debt to total balance sheet	%	28.67	32.9			29	
NOI	GBP thousands	31,321	32,380	11,136	12,107	42,730	(3.3)
FFO	GBP thousands	14,213	9,384	5,672	4,011	12,375	51.5
Investment in renewable energy - Energix Renewable Energies Ltd. (rate of holdings as of September 30, 2025 - 50.06%)							
Installed capacity from connected photovoltaic systems (MWp) - Energix's share	Unit	1,299	979			1,029	26.2
Installed capacity from connected wind systems (MW) - Energix's share	Unit	301.2	301.2			301.2	(.1)
Balance of connected electricity-generating facilities - according to book value	NIS thousands	6,395,422	5,710,468			5,674,033	12.7
Price per share at end of period	NIS	14.3	13.48			12.5	14.2

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

2.1 The business environment

1. **For additional information regarding the business environment in which the Group operates in the areas of income-generating property and renewable energies, please see the Description of the Corporation's Business chapter in the 2024 Periodic Report.**
2. **Income-generating property sector - The following is information regarding significant developments that occurred in the business environment in which the Group companies operated in the income-generating property sector, from the beginning of 2025 until close to the date of publication of the report:**

A. Developments in Israel

According to the macroeconomic forecast published by the Bank of Israel in late September of this year, which was formulated after a decline of approx. 4% in the GDP was recorded in the second quarter of 2025, to a great extent due to the impact of the disrupted activity during Operation "Am Kalavi" and under the assumption that the fighting will end during the first quarter of 2026, the domestic GDP is expected to grow by 2.5% in 2025 and by approx. 4.7% in 2026. Since the outbreak of the War in October 2023, the GDP level has been lower than the pre-COVID-19 trend line.

The Bank of Israel's forecast for the inflation rate in 2025 is approx. 3.0% and in 2026 approx. 2.2%. The increase in the inflation forecast for the coming quarters stems from the continuation of the War, which is delaying the decline in supply constraints. With the cessation of fighting and the reduction in reserve mobilization, supply constraints in the labor market are expected to ease, combined with a reduction in public consumption, which are expected to lead to a moderation in inflation.

According to the Bank of Israel's estimates, the interest rate is expected to be 3.75% in the third quarter of 2026. This forecast incorporates a decrease in the interest rate from its current level, in accordance with the rate of convergence of inflation to the target center.

According to the Bank of Israel forecast, the state budget deficit will be approx. 5.1% in 2025 and approx. 4.3% in 2026, and public debt is expected to be approx. 71% of GDP in 2025 and 2026. The forecast takes into account the increase in state revenues in recent months and expectations for exceptional tax revenues as a result of sales by high-tech companies to international investment entities.

Since the publication of the Bank of Israel forecast, positive developments have been recorded, including a ceasefire agreement and the release of the hostages, along with the US President's announcement of a regional peace initiative. These developments led, among other things, to sharp increases in stock prices in the capital market and to an appreciation of the NIS. Subsequently, S&P raised Israel's rating outlook from negative to stable.

Since the beginning of the year, there has been a gradual recovery in demand and transactions from tenants actively searching. In the local high-tech sector, there has been an increase in investments, with an emphasis on cyber fields. The high-tech sector continues to demonstrate resilience with renewed interest from foreign investors, capital raisings, mergers and acquisitions. In addition, it is evident that the "Flight to Quality" trend will continue. Demand for new space in Amot's core markets, with an emphasis on the Tel Aviv metropolitan area, continues to be high, with towers at almost full occupancy and rental prices stable and high. In contrast, in secondary markets, including Petah Tikva, Bnei Brak and Holon, there is difficulty in occupancy and in trying to keep rent up with the rate of inflation.

B. Economic developments in the United States

The US economy grew by 4.0% in the third quarter of 2025, following a strong 3.8% expansion in the second quarter of the year. The increase reflects growth in private consumption, a recovery in investments and continued resilience in the service sector. The US labor market remains tight with historically low unemployment rates of approx. 4.3%.

The inflation rate continued to rise during the third quarter of the year, reaching an annual rate of approx. 3.0%, compared to approx. 2.7% in the second quarter of 2025. The Fed cut interest rates by 25 basis points at its last meeting in October, emphasizing that economic activity is expanding at a moderate pace and unemployment remains relatively low. Nevertheless, the Fed noted that future interest rate cuts are not guaranteed. As of the date of publication of the report, the Fed rate is approx. 3.75%-4.00%. The yield on 10-year government bonds has continued its decline since the end of 2024 and is currently at 4.11%.

Offices in Washington D.C.

As of September 2025, the vacancy rate for Trophy office space in Washington, D.C. has dropped to 11.8%, compared to a general vacancy rate of 19.5%. The gap between Trophy properties and other properties is widening and is also reflected in a premium of over 50% in rental prices compared to the overall market.

Total leases for space over 10,000 sq ft since the beginning of 2025 amounted to approx. 4.5 million sq ft, below the multi-year average, mainly due to a significant decrease in demand from the federal government. Law firms overtook the federal government as the largest office tenant in Washington, D.C., leasing 730,000 sq ft in the third quarter of the year. Total sublease space decreased by 16% compared to the corresponding quarter in 2024.

Since the beginning of 2025, net absorption in Washington has been negative by approx. 1 million sq ft, mainly due to the vacating of Class B and C buildings, while Trophy properties continue to outperform and generate positive absorption. The supply of office space under construction is very low by historical standards, at only approx. 400,000 sq ft, and the volume of new space delivered is at an all-time low. The trend of office conversions to residential space continues to gain momentum, and as of the third quarter of 2025, there are 30 conversion projects in the city, totaling 6.1 million sq ft, of which 11 projects (2.3 million sq ft) are under construction.

Residential rentals in Washington D.C.

In the past year, the population of the Washington D.C. metropolitan area grew by approx. 0.8%. The average income in the metropolitan area is 60% higher than the average income in the United States.

The rental apartment inventory in Washington, D.C. is approx. 588 thousand and the average price is USD 310 thousand. The vacancy rate was 8.0% at the end of September 2025, compared to 8.3% in the United States as a whole.

Total absorption (new rentals minus evictions) in the third quarter of 2025 was 1,500 apartments, and over the past 12 months it amounted to approx. 9,100 apartments. 12 thousand apartments are currently being built in the metropolitan area, 56% less than the average over the past decade.

During the third quarter of 2025, construction began on 1,600 apartments, a relatively low number that will maintain a low level of available supply until the end of 2027.

Offices in Boston

As of September 2025, the vacancy rate in Boston's CBD for Trophy offices was 10.9% compared to the overall market average of 19.3%, which resulted from the completion of two large office projects that added more than 900,000 sq ft of vacant space. As of the date of the report, significant lease negotiations are underway for some of this space.

During the third quarter of the year, leases were signed for a total of approx. 1.6 million sq ft, with leases rising 12.6% compared to the previous year. As of the date of the report, there is active demand from 42 tenants in the market for spaces larger than 25 thousand sq ft.

The return-to-work rate from Boston offices is among the highest in the United States (approx. 80%), identical to the index of Fortune 100 companies that require office presence 4 days a week. Total sublease space is 3.4 million sq ft and total space in projects under construction amounts to 0.9 million sq ft.

C. Economic developments in the UK

The UK economy expanded by 0.3% in the second quarter of 2025. According to the Bank of England's ("BOE") updated forecasts, the GDP is expected to rise by 1.25% in 2025.

The UK unemployment rate rose slightly to 4.8% in August 2025, from 4.7% in May 2025.

Annual inflation in the UK remained stable throughout the third quarter of the year at 3.8%, above the Bank of England's 2% target.

At its last meeting, the BOE decided to leave the interest rate at 4.00%, after a 0.25% reduction in August 2025.

The London office market

In the third quarter of 2025, leased office space in central London reached approx. 2.6 million sq ft, and remained at a level similar to the long-term quarterly average of 2.7 million sq ft. The cumulative volume of rentals since the beginning of the year was 7.7 million sq ft, an increase of 16% compared to the corresponding period in 2024 and an increase of 8% compared to the decade average.

The City led rental activity with 4.5 million sq ft, 17% above the long-term average, while the West End performed 13% below the long-term average. The Flight to Quality trend is dominant, with top-tier assets accounting for 58% of take-ups since the beginning of the year. The banking and finance sector accounted for approx. 40% of the total rental rate in the quarter.

Active demand for space at the end of the third quarter was approx. 12.3 million sq ft, approx. 26% higher than the multi-year average. Over half of this demand stems from tenants whose leases are expected to expire in 2028 and beyond. The banking and finance sector accounts for approx. two-thirds of the total demand.

On the supply side, there was an increase in the total space offered, so that the overall vacancy rate increased slightly to approx. 9.1%. The vacancy rate in new space remained at a very low level of approx. 1.3% due to the ongoing shortage of new construction.

Total space under construction decreased in the third quarter to approx. 18 million sq ft, of which approx. 40% was pre-leased. The remaining unleased space under construction, amounting to approx. 11.2 million sq ft, is offset by existing contracts of approx. 28 million sq ft that are expected to expire in the next three years. This shortage is expected to contribute to the continued rise in rental prices for new properties.

Prime rental prices in the West End rose to approx. GBP 170 per sq ft, representing an annual growth of 16%. In the City, Prime rental prices remained stable at GBP 90 per sq ft, with pre-lease contracts for projects under construction recording prices exceeding GBP 100 per sq ft.

The transaction volume in the first three quarters of 2025 was approx. GBP 6 billion, approx. 24% lower than the multi-year average. Discount rates remained unchanged at approx. 4.00% for Prime properties in the West End and approx. 5.75% in the City.

Cambridge and Oxford

During the first half of 2025, office and laboratory leasing activity in **Cambridge** totaled 295 thousand sq ft. Laboratory yield rates remained at 4.75% and office rates also remained unchanged at 6.0%.

During the first half of 2025, office and laboratory leasing activity in **Oxford** totaled 163 thousand sq ft. Laboratory and office yield rates remained unchanged and identical to those in Cambridge.

3. **Renewable Energy Sector - The following is information regarding a significant development as of the date of publication of the report in the US business environment in the renewable energy sector in which Energix is operates:**

- I. **Adoption of the "One Big Beautiful Bill" and relevant provisions regarding the ITC tax benefit system in the US** - In July 2025, the comprehensive federal law known as the "One Big Beautiful Bill" ("OB BB") entered into effect, which includes, among other things, legislative changes regarding the federal tax benefit system, ITC, which is relevant to Energix's operations in the United States.
- II. **The Safe Harbor Regulations** - On August 15, 2025, the Treasury Department and the tax authorities published new guidelines, effective September 2, 2025, for defining the "beginning of construction" of

projects, which serves as the basis for determining the eligibility of a project for Safe Harbor protection in order to preserve the ITC tax benefit rate prior to the adoption of the OBBB Act.

- III. Based on actions Energix has taken, including the advance purchase of 500 MWp of solar panels in order to apply Safe Harbor protection to projects it will construct in accordance with the OBBB Act and the new regulations, and in view of projects for which Safe Harbor already exists, Energix estimates that the above regulations will not have a material impact on its future operations in the United States and on its business plans until the end of 2030 to establish an aggregate capacity of 5 GWp.

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

2.2 Statement of Financial Position

	September 30, 2025	December 31, 2024	
Statement of Financial Position item	NIS millions	NIS millions	Notes and explanations
Cash and cash equivalents	2,021	1,524	For the Statement of Cash Flows, please see Section 2.6 below.
Investment property, investment property in development and land rights (including investment property held for sale)	30,854	25,006	The increase is mainly a result of the first-time consolidation of Carr - NIS 5.1 billion.
Investments in companies accounted for according to the equity method and securities measured at fair value through profit and loss	1,358	2,303	<p>The main changes are as follows:</p> <ul style="list-style-type: none"> • A decrease of NIS 1.3 billion from the notional realization of Carr due to its first-time consolidation and an increase of NIS 0.4 billion from the first-time consolidation of Carr's associates. • Equity gains recorded in the amount of NIS 57 million. • A loss recorded from the capital reserve from translation differences in the US (Carr and AH Boston) in the amount of NIS 139 million. For information on this matter, please see Sections 2.3.3 and 2.5.2 below. <p>For information regarding changes in the balance of investments in associates, please see Notes 6, 7 and 11(c) to the financial statements.</p>
Electricity-generating facilities - connected and in development	11,208	9,943	<p>Most of the increase is due to Energix's investments in the initiation and development of projects in the United States and in Israel.</p> <p>For information regarding electricity-generating facilities, please see Note 5 to the financial statements.</p>
Other assets	1,858	1,272	
Total assets	47,299	40,048	
Loans and bonds	28,142	22,082	<p>The main changes are as follows:</p> <ul style="list-style-type: none"> • Raising of bonds and receipt of loans in the amount of NIS 4 billion. • Carr's entry into consolidation, increase of NIS 3.5 billion. • Repayment of bonds and loans in the amount of NIS 1.3 billion. <p>For information regarding the main changes in the Group's financial debt, please see Section 2.4.3 below.</p>
Other liabilities	6,468	6,333	
Total liabilities	36,610	28,415	
Equity attributed to shareholders	5,432	5,414	For information regarding the main changes in equity attributed to shareholders, please see Section 2.7.2 below.
Non-controlling interests	7,257	6,219	
Total equity	12,689	11,633	
Total liabilities and equity	47,299	40,048	

2.3 Investments

2.3.1 The following are the Company's investments (expanded solo) as of September 30, 2025:

	Balance in the Company's books (expanded solo)			Value measurement basis	
	Currency	Number of shares	Value		
	NIS thousands		NIS thousands		
Amot	NIS	246,849,572	4,865,449	6,111,995	Stock market value - tradable
Energix	USD/PLN/NIS	276,060,936	1,046,173	3,942,150	Stock market value - tradable
Carr	USD	-	1,728,403	1,728,403	Equity method
AH Boston	USD	-	321,008	321,008	Equity method
Brockton Everlast	GBP	-	3,116,406	3,116,406	Equity method
Brockton Funds	GBP	-	202,727	202,727	Equity method
Other ¹⁵			256,042	261,247	
Total			11,536,208	15,683,937	

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

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

	After the balance sheet date		
	1-9/2025	After the balance sheet date	Total
	NIS millions	NIS millions	NIS millions
Brockton Everlast	176	36	212
Amot	150	-	150
Carr	335	82	417
AH Boston	73	2	75
Total	734	120	854

¹⁵ Including mainly cash in the amount of NIS 252 million.

2.3.3 Property revaluations

For the nine-month period ended September 30, 2025, the Company's share in the revaluation gains on investment property recorded by the investees amounted to NIS 157 million (compared to a loss of NIS 473 million in the corresponding period last year). For information regarding the investment property valuations recorded by the Company's investees in the reporting period (the nine-month period ended September 30, 2025), please see Notes 2.3.4, 2.3.5, 2.3.6 and 2.3.7 below.

2.3.4 Investment in real estate in Israel - through Amot

As of September 30, 2025, the Company holds 50.04% in Amot.

Issuance of capital - In July 2025, Amot issued 20,691,400 ordinary shares of NIS 1 PV each and 10,345,700 options (Series 12) to the public, exercisable for Amot's ordinary shares, through a shelf offering report¹⁶. The total (net) consideration received by Amot amounted to approx. NIS 505 million. The future (gross) consideration that will be received by Amot, assuming the full exercise of the options (Series 12) issued as stated for shares, subject to adjustments, will amount to a total of approx. NIS 290 million.

In the public offering, the Company was allocated 6,130,900 ordinary shares and 3,065,450 Amot options (Series 12) in consideration for a total of NIS 150 million.

2.3.4.1 Information regarding Energix's activity in Israel

For information regarding Amot's activity, please see Chapter B of the Company's Description of Corporate Business for 2024 and Section 2.3.4 of the Company's Board of Directors' Report for 2024.

2.3.4.2 Developments in Amot's business in the reporting period are as follows¹⁷:

- **HaLehi Complex (the Park)** (Amot's share - 50%) - During the reporting period, lease contracts were signed for approx. 13 thousand sq m of commercial space in the project, which are expected to generate annual rental fees of approx. NIS 20 million. As of the date of approval of the report, the project is in advanced stages of completion and systems work, the commercial floors have been delivered to merchants, and the stores have been opened to the public.
- **ToHa2 Tower** (Amot's share - 50%) - The construction of the tower is progressing and as of the date of publication of the report, approx. 85% of the skeleton work has been completed in accordance with the planned schedule. The ToHa2 envelope and systems work are also progressing according to plan and the expected completion of construction and receipt of Form 4 is at the end of 2026. As of the date of the report, significant negotiations are underway to lease the remaining space in the tower.
- **Beit Shemesh Logistic Center** (Amot's share - 60%) - In August 2025, the project partnership signed a lease agreement with a logistics company for 12.5 thousand sq m. As of the date of publication of the report, contracts have been signed for 75% of the Logistic Center space.
- **Occupancy** - The occupancy rate of all of Amot's properties as of September 30, 2025 is 92.6% (not including assets classified from property in development during the reporting period, the rate is 93.8%).

2.3.4.3 Fair value adjustments of investment property

In the reporting period, Amot recorded a positive revaluation in its financial statements in the amount of approx. NIS 260 million.

¹⁶ Amot's options (Series 12) are exercisable for Amot's regular shares until December 31, 2026 (inclusive) against payment of an exercise price (dividend-adjusted) of NIS 28 (without linkage to any index or currency) per option.

¹⁷ It should be clarified that the timing of the construction completion dates of the properties described above and the beginning of the lease period described above are forward-looking information as defined in the Securities Law, 1968. The information described above is based on the information available to Amot as of this date regarding the status of the project's construction progress. Amot's estimates and forecasts in this regard are dependent and subject to the occurrence of actions and circumstances beyond its control or to the materialization of any of the risk factors included in the Corporate Business Description chapter of the Company's periodic report for 2024.

Amot's FFO

FFO - Amot Investments Ltd.					
NIS thousands					
	1-9.2025	1-9.2024	7-9.2025	7-9.2024	2024
Profit for the year	559,531	666,098	102,034	351,115	919,002
Adjustments:					
Profit from change in fair value of investment property and profit from sale of investment property	(267,420)	(452,465)	-	(330,127)	(570,485)
Acquisition costs recognized in profit and loss	6,630	19,467	2,370	165	23,053
Current and deferred tax effects of the above adjustments	59,456	78,145	(18,246)	51,179	154,578
FFO - according to the Authority's approach	358,197	311,245	86,158	72,332	526,148
Management's approach, additional adjustments:					
Share-based payment	6,778	5,929	2,330	2,054	8,324
Depreciation and amortizations	2,222	2,116	739	727	2,850
Linkage differential expenses on the debt principal	246,712	297,103	118,387	133,462	285,863
FFO - according to the Management's approach	613,909	616,393	207,614	208,575	823,185
Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands	181,998	159,065	43,131	36,928	268,752
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	311,323	314,874	103,932	106,485	420,476

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

2.3.5 Investment in Carr

As of September 30, 2025 and close to the date of publication of the financial statements, the Company's holding rate in Carr is 79.03% and 79.84%, respectively. The balance of the investment in Carr in the financial statements as of September 30, 2025, is USD 523 million (approx. NIS 1.73 million). After the reporting date, the Company invested an additional USD 25 million in Carr as part of a transaction for the acquisition of a property for future development.

2.3.5.1 Information regarding Carr's activity

For information regarding Carr's activity, please see Chapter C1 of the Company's Description of Corporate Business for 2024 and Section 2.3.5 of the Board of Directors' Report for 2024.

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

- (a) In July 2025, Carr completed the transaction for the redemption of JPM's holdings in Carr in exchange for the transfer of full ownership of three Carr properties¹⁸ to JPM, free of any debt (hereinafter - the "**transaction**"). In addition, upon completion of the transaction, the Company invested equity in the amount of USD 100 million in Carr. As a result, the Company's effective holding in Carr increased to 79.03%¹⁹.

Completion of the transaction will enable the Company to realize Carr's growth potential and move forward in the coming years by expanding its office and residential rental property operations.

The following is Carr's balance sheet on the date of gaining control:

	16/07/2025
	USD millions
Investment property	1,666
Investment property in development	34
Cash and cash equivalents	112
Working capital and other	14
Total assets	1,826
Long-term loans	1,176
Equity	650
Total loans and equity	1,826
Company's share in equity	514

(b) Acquisitions subsequent to the date of the report:

In November 2025, Carr purchased a vacant office building in Washington, D.C. (2121 Virginia Avenue) for USD 25 million. Carr intends, subject to obtaining zoning approval, to demolish the existing building and construct a 220 thousand sq ft residential building in its place that will include 319 rental apartments. The building is located adjacent to the Georgetown University campus and the US State Department. For additional information, please see the following table.

¹⁸ The properties transferred to JPM: 1701 Duke Street, Signal House and 1875 K Street, at a total value of USD 241 million.

(c) As of the date of publication of the report, Carr owns three projects in initiation for the construction of residential rental buildings:

Project name	Carr's share	Number of apartments	Total rental space (in thousands of sq ft)	Ownership rate	Projected project cost (including land and financing) in USD millions	Remaining investment cost in USD millions	NOI forecast at full occupancy in USD millions	Estimated construction start date	Estimated construction completion date
					100% of the project				
425 Montgomery - Alexandria, North Virginia	10%	237	216	10%	130	82	9	Under construction	2/2027
3033 Wilson - (Clarendon square) Arlington, North Virginia	100% (*)	316	244	100%*	147	121	11	3/2026	1/2028
2121 Virginia - Washington D.C.	100% (*)	319	172	100%*	136	111	11	8/2026	5/2028

(*) Carr is in negotiations for the addition of various partners to 3033 Wilson and 2121 Virginia at a rate of 75%, so that the additional equity required to complete the projects will be provided by the partners.

The partnership agreements in the above projects will include (with respect to 425 Montgomery, it is already included) among other things, a provision for Carr to manage the projects (including their construction, leasing and future ongoing operation) in exchange for the receipt of management fees, including a success component (Promote), which will be derived from excess return if achieved by the partners in each project.

The information regarding the projects in initiation, including the projected project cost, the construction start and completion and the NOI forecast are forward-looking information, as that term is defined in Section 32 of the Securities Law. The information is based on the Carr management's work plans, according to its estimates, and its realization is uncertain and not within the control of the Carr management, since there is no certainty that the many variables that make up the work plan will be realized as planned.

2.3.5.3 Fair value adjustments of investment property

In the reporting period, Carr recorded a net positive revaluation in the amount of USD 25 million in its financial statements (the Group's share in the positive revaluation before tax is approx. USD 13 million, (NIS 47 million)).

Carr's FFO is as follows:

	FFO - Carr				
	USD thousands				
	Nine months	Nine months	Three months	Three months	For the year
	2025	2024	2025	2024	For the year
Profit (loss) for the year	72,977	(117,071)	19,434	(16,150)	(145,080)
Adjustments:					
Loss (profit) from change in fair value of investment property	(32,749)	89,316	(11,870)	(7,460)	129,392
Depreciation and amortizations	3,192	5,386	505	1,214	6,433
Current and deferred tax effects of the above adjustments	(60)	(25)	45	10	1,921
Adjustments as detailed above in respect of associates	6,628	72,792	4,342	37,770	74,725
FFO - according to the Authority's approach	49,988	50,398	12,456	15,384	67,391
Attributed to non-controlling interests	(7,219)	353	(2,031)	(527)	1,643
Adjustments stemming from the non-controlling interests' share in FFO	2,377	(3,391)	1,134	-	(6,576)
FFO - according to the Authority's approach attributed to Company shareholders	45,146	47,360	11,559	14,857	62,458
FFO - according to the Management's approach, in USD thousands	45,146	47,360	11,559	14,857	62,458
Management's approach, additional adjustments:					
NOI	102,526	108,208	31,877	36,182	137,168
Administrative and general expenses	(10,677)	(10,060)	(4,518)	(4,576)	(7,843)
Financing expenses	(46,703)	(50,788)	(15,800)	(17,166)	(66,867)
FFO - according to the Management's approach, in USD thousands	45,146	47,360	11,559	14,440	62,458
Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands	86,383	83,552	28,618	25,594	110,216
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	86,383	83,552	28,618	25,594	110,216

2.3.6 Investment in AH Boston

2.3.6.1 General

The Company holds approx. 55% of the capital rights and 50% of the controlling rights (through wholly-owned corporations) in three companies that hold two office towers and a laboratory building for the Life Sciences (two in the Boston CBD (Boston's central business district) and one in East Cambridge) (hereinafter, collectively - the **"Boston Partnerships"**). The Company's partner in the Boston Partnerships is the Oxford Properties Group (hereinafter - **"Oxford"**).

The balance of the investment in the three Boston Partnerships, in the financial statements as of September 30, 2025, is USD 97 million (approx. NIS 321 million).

2.3.6.2 745 Atlantic:

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 32 million. As of the date of publication of this report, no space has been leased in the building.

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

In July 2025, the property company entered into a loan refinancing agreement, under which USD 27 million was repaid (from a balance of USD 159 million to a balance of USD 132 million). The Company's share of the repayment was approx. USD 15 million. The property company was given the option to increase the loan amount to up to USD 180 million, mainly for the financing of future rental costs.

The new loan bears a fixed interest rate of 7% for a period of three years with an extension option for an additional year.

2.3.6.3 Summer 125:

In the reporting period, the main tenant in the building expanded the lease agreement by an additional 100 thousand sq ft and extended its total lease agreement for 256 thousand sq ft until 2033. As of the date of the report, the rate of leased space in the building is 92%.

2.3.6.4 Fair value adjustments of investment property

In the reporting period, negative revaluations totaling USD 21 million were recorded (the Group's share of the negative revaluation before tax is approx. USD 11 million (NIS 41 million)), mainly at the 745 Atlantic building as a result of the decline in rental prices in Boston in the laboratory sector and the increase in vacant space in the sector (as a result of excess speculative construction and a decrease in active rental demand), which will prolong the length of time needed to rent out the building.

AH Boston's FFO is as follows:

FFO - AH Boston					
USD thousands					
	1-9.2025	1-9.2024	7-9.2025	7-9.2024	2024
Profit (loss) for the year	(22,844)	(141,092)	(3,257)	(68,708)	(136,952)
Adjustments:					
Loss from change in fair value of investment property	20,896	146,236	1,269	70,039	142,942
Depreciation and amortizations	5,181	3,889	2,471	1,295	5,202
Loss from changes in fair value or from sale of financial instruments	794	2,647	233	778	3,498
FFO - according to the Authority's approach	4,027	11,680	716	3,404	14,690
FFO - according to the Management's approach	4,027	11,680	716	3,404	14,690
Management's approach, additional adjustments:					
NOI	18,964	20,549	6,132	5,270	28,510
Administrative and general expenses	(195)	(861)	(12)	(270)	(1,122)
Financing expenses	(14,742)	(8,008)	(5,404)	(1,596)	(12,698)
FFO - according to the Management's approach	4,027	11,680	716	3,404	14,690
Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands	7,880	23,708	1,328	7,102	29,869
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	7,880	23,708	1,328	7,102	29,869

(*) The decrease in NOI and FFO between the aforementioned periods is due to the cessation of capitalization of financing and maintenance costs in the 745 Atlantic building, which as of the date of publication of this report has not yet been leased.

2.3.7 Investment in Brockton Everlast ("BE"):

As of September 30, 2025 and close to the date of publication of the report, the Company indirectly held approx. 84.98% of the rights in BE.

During the reporting period, the Company invested approx. GBP 37.5 million (approx. NIS 176 million) in BE's capital.

2.3.7.1 Information regarding BE's activity

- **Dovetail building** - During the reporting period, BE completed the demolition of the buildings on the site and has begun reinforcement and excavation work for the construction of the Dovetail building in the City of London.

The following is a summary of data on the project as of September 30, 2025:

Property name	Location	Main use	Rate of holdings	Thousands of above-ground sq ft for marketing, 100%	Estimated completion date	Estimated construction costs, including land	Project cost in BE's books as of September 30, 2025	Balance for completion of construction costs as of September 30, 2025	Remaining equity investment as of September 30, 2025	Expected NOI upon project occupancy
GBP millions										
Dovetail Building	City of London	Offices	100%	453	2029	709	186	523	105	52

The information detailed in this Section 2.3.7.1 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.

Cambridge Science Park - After the date of the report, a zoning plan was approved on BE's land for the establishment of a science park called The Fenway, which will be built in the center of Cambridge's northern science park. The park will comprise six buildings with a total leasable area of 720 thousand sq ft, to be constructed in stages over the coming years (the "**Science Park**"). BE intends to add a partner to the establishment of the Science Park.

As part of the Science Park development plan, during the reporting period, BE acquired an adjacent 40 thousand sq ft office building for a consideration of approx. GBP 22 million (approx. GBP 24 million, including transaction costs). The building, which is fully leased to a single tenant, includes a car park that is planned to be used as a replacement for the construction of approx. half of the parking spaces required for the Science Park construction.

For additional information regarding BE's activity, please see Chapter D of the Company's Description of Corporate Business for 2024 and Section 2.3.6 of the Board of Directors' Report for 2024.

2.3.7.2 Fair value adjustments of investment property

In the reporting period, BE recorded a positive revaluation of GBP 5 million (NIS 23 million).

2.3.7.3 Financial debt

- As of September 30, 2025, BE had loans from banking corporations totaling approx. GBP 374 million, of which approx. GBP 240 million will be repaid during 2026. With respect to loans in the amount of approx. GBP 190 million (approx. NIS 840 million), BE is conducting advanced negotiations for refinancing for several years, without the need to provide additional equity.
- In February 2025, BE took a loan in the amount of GBP 45 million (NIS 202 million), replacing a loan of GBP 46 million, which was due. For additional information, please see Note 8d to the financial statements.

BE's FFO is as follow:

	FFO - BE				
	GDP thousands				
	Nine months	Nine months	Three months	Three months	For the year
	2025	2024	2025	2024	2024
Profit (loss) for the period	15,603	(39,292)	1,723	(494)	(26,942)
<u>Adjustments:</u>					
Loss (profit) from change in fair value of investment property	(4,536)	22,068	3,073	2,435	(11,940)
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	(864)	21,206	2	-	42,800
Loss from changes in fair value or from sale of financial instruments	2,832	3,828	481	1,862	4,480
Current and deferred tax effects of the above adjustments	-	(13)	-	6	1,495
FFO - according to the Authority's approach, in GBP thousands	13,035	7,797	5,279	3,809	9,893
<u>Management's approach, additional adjustments:</u>					
Depreciation and amortizations	578	296	192	105	527
Share-based payment	600	1,601	200	145	2,314
Adjustment of tax expenses or income resulting from all of the above adjustments	-	(310)	-	(48)	(359)
FFO - according to the Management's approach, in GBP thousands	14,213	9,384	5,671	4,011	12,375
<u>The following is a breakdown of FFO according to the Management's approach:</u>					
NOI	31,321	31,857	11,135	11,931	42,730
Administrative and general expenses	(7,496)	(10,345)	(2,498)	(3,311)	(12,816)
Financing expenses	(9,612)	(14,595)	(2,966)	(4,811)	(20,006)
Management fee revenue from Brockton Funds	-	2,467	-	202	2,467
FFO - according to the Management's approach, in GBP thousands	14,213	9,384	5,671	4,011	12,375
Alony-Hetz's share in FFO - according to the Authority's approach, in NIS thousands	51,527	30,794	20,429	15,144	39,208
Alony-Hetz's share in FFO - according to the Management's approach, in NIS thousands	56,178	36,797	21,934	15,723	49,032

2.3.8 Investment in renewable energy through Energix

As of September 30, 2025, the Company holds 50.06% in Energix.

As part of Energix's total activity in Israel, the United States and Poland, the total capacity of its photovoltaic and wind energy systems, as of the date of approval of the report, amounts to approx. 1.6 GW and 240 MWh (storage) projects in commercial operation, approx. 650 MW and 210 MWh (storage) projects in development and pre-construction (and up to an additional 580 MW and 520 MWh, subject to the completion of the acquisition of the Jonava project in Lithuania and the Nottingham project in Ohio), and approx. 632 MW and 180 MWh (storage) projects in advanced stages of initiation. In addition, Energix has photovoltaic and wind energy projects in initiation with a capacity of approx. 6 GW and storage projects in initiation with a capacity of approx. 12 GWh.

In the report for the third quarter of 2025, Energix updated the capacity forecasts for connected and ready-to-connect projects for the years 2025-2026 for delays in the connection dates of projects to the electricity grid in the United States and Poland as a result of electricity grid infrastructure limitations and the wait for clarifications from the regulator in the United States and in Lithuania.

Accordingly, Energix has extended the timelines for its long-term work plan by up to 12 months, and it estimates that by the end of 2027 it will own projects in commercial operation with a capacity of at least 4 GW (solar and wind) and 2 GWh (storage) with expected annual revenues of approx. NIS 2.5 billion for a full year of operation.

2.3.8.1 Information regarding Energix's activity

For information regarding Energix's activity, please see Chapter F of the Company's Description of Corporate Business for 2024 and Section 2.3.8 of the Board of Directors' Report for 2024.

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

- **Construction work** - As of the date of approval of the report, Energix is in the midst of construction work on 11 projects with a total capacity of approx. 650 MW + 210 MWh in the United States, Poland and Israel. In addition, Energix is preparing for the start of construction of projects with a total capacity of up to 580 MW (photovoltaic and wind) and up to 520 MWh (storage), which will begin immediately subject to the completion of the acquisition transactions for the Jonava project in Lithuania and the Nottingham project in Ohio.
- **Receipt of connection permits in Poland with a capacity of approx. 2.1 GW (solar and wind) and approx. 1.3 GWh (storage)** - During the reporting period, Energix received grid connection permits in Poland for projects with a total capacity of approx. 2.1 GW, of which approx. 1.6 GW is for wind facilities, approx. 0.5 GW for solar, and approx. 1.3 GWh for storage projects. Energix estimates that these connection permits are expected to constitute a platform for significant future growth in Energix's operations in the years 2026-2031. In addition, Energix has submitted additional applications for permits to connect projects to the electricity grid with a capacity of over 2 GW, for which a response has not yet been received from the Polish grid operator.
- **Entry into operations in Lithuania** - In March 2025, Energix entered into an agreement, which was revised after the date of the report, for the acquisition of a combined wind and photovoltaic project with a total capacity of approx. 470 MW in Lithuania (approx. 140 MW wind and up to 330 MWp photovoltaic) and a storage facility with a capacity of 520 MWh. This is in consideration for EUR 20 million²⁰ and for an agreed share of the grants to actually be received by the project company in accordance with the relevant regulation in Lithuania (if such are received) to the sellers. This is Energix's first project in Lithuania, in the context of Energix's considerations for expanding its operations to Lithuania under its independent operations in Poland, and with the completion of the acquisition transaction Energix intends to begin construction immediately. During the reporting period, a construction permit was received for the wind farm, and completion of the project acquisition is expected during the first quarter of 2026 and subject to preconditions.

²⁰ In accordance with the terms of the transaction, the transfer of ownership of the project and payment of 80% of the purchase price to the sellers will be made on the date the building permit for the project is issued, and the balance will be paid on the date of the actual construction start.

Israel

- **ARAN Project for the construction of a wind farm with a capacity of 104 MW** - Following the end of the war on the northern front and considering the geopolitical changes in Syria, over the past few months Energix has been preparing to resume construction work on the project, but has again encountered violent resistance, in violation of the law, from several Druze residents who oppose the project. In view of the above, Energix is again preparing to begin construction work, with the necessary security, with respect to the 10 turbines farthest from residential areas and adjacent to the border as Phase A. Energix will subsequently work to construct Phase B.

Although Energix intends to construct the project in full in accordance with its rights under the law, in the absence of intensive involvement by the Israeli government to reach an arrangement and to instruct the Israel Police to secure the construction of the turbines, Energix sees a higher risk in the construction of the remaining 11 turbines (of the 21 turbines) since they are closer to the Druze communities and have a higher potential for resistance. Therefore, Energix's Board of Directors has decided that, as of the date of the report, the probability of the remaining 11 turbines that constitute Phase B being constructed is less than 50%. In view of this, Energix recorded an impairment loss on the project in the second quarter of 2025 in the amount of approx. NIS 36 million. For additional information, please see Note 5b to the financial statements.

- **Commercial operation and considering integrating the construction of a storage facility into the Julis extra-high voltage project** - In September 2025, commercial operation of the Julis extra-high voltage project began with a capacity of 87 MWp.

As of the date of approval of the report, Energix is working to plan and construct a storage facility that will be integrated into this project with a capacity of approx. 340 MWh, which will enable the conversion of the entire project to market regulation, including availability certificates, instead of the first competitive procedure published by the Extra-High Voltage Electricity Authority.

For additional information regarding market regulation, please see Section 2.2.31 of Chapter E in Part A of the Annual Report.

United States

- For additional information regarding regulatory changes in the United States, please see Section 2.1(3) above.
- **Commercial operation of 4 projects from the E4 backlog** - In the reporting period, commercial operation of 4 projects began with a capacity of approx. 148 MWp from this backlog. Construction work is underway on an additional project with a capacity of approx. 62 MWp and is expected to be completed by the end of the year, but the project is expected to be connected during the first half of 2026. For information regarding the engagement with tax partners in relation to the E4 backlog, please see Section 2.4.3.2 below and Note 5 to the financial statements.
- **Signing of an investment agreement (tax partner) in the amount of up to USD 275 million for E5 backlog projects with a capacity of 210 MWp** - In September 2025, Energix entered into a tax partner investment agreement with a leading financial institution with which it has previous agreements, according to which the tax partner will invest a total of up to USD 275 million as a tax equity investment in E5 backlog projects with a capacity of 210 MWp²¹. Upon completion of the construction of each of the projects (Mechanical Completion), the tax partner will invest an amount of approx. 20% of the investment in relation to that project, and the balance of the investment amount is expected to be received upon the start of commercial operation of each of the projects (Substantial Completion) in relation to that project, provided that the projects are connected to the electricity grid (Placed in Service) by the dates agreed upon between the parties²². The tax partner investment will be used, among other things, to repay a bridging loan, as detailed in Note 5 to the financial statements.

Poland

In the reporting period, Energix completed the grid connection and commercial operation of its photovoltaic project in Poland with a capacity of approx. 30 MWp and its stand alone storage project with a capacity of approx. 48 MWh.

²¹ The E5 backlog consists of the projects detailed above and an additional project with a total capacity of approx. 60 MWp, which as of the date of the report is expected to be invested by a strategic partner within the framework of the cooperation agreement between the parties.

²² In relation to the project with a capacity of 25 MWp - December 31, 2025, and in relation to the other projects - December 15, 2026.

Energix is also in the midst of construction on another stand alone storage project with a total capacity of approx. 52 MWh, which is expected to reach commercial operation in the first quarter of 2026.

The construction of the storage projects is financed through a dedicated credit facility granted to Energix in the reporting period in the amount of PLN 100 million. For information, please see Note 8c(4) to the financial statements.

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

The provisions of Section 2.3 above regarding projects in initiation, development and construction include forecasts, valuations, estimates, projected timetables or other information relating to a future event or matter, the realization of which is uncertain and beyond the control of the Company and/or the Group, and therefore constitutes forward-looking information as the term is defined in Section 32A of the Securities Law, 1968 ("**Forward-Looking Information**").

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

	Energix's EBITDA				
	NIS thousands				
	1-9/2025	1-9/2024	Q3/2025	Q3/2024	2024
Energix's accounting EBITDA	339,438	453,853	117,734	130,940	625,934
Lease expenses (IFRS 16)	(24,342)	(19,756)	(7,932)	(5,719)	(30,396)
Other revenue/expenses, including initiation expenses	26,156	12,682	112.57	7,551	10,046
Administrative and general	100,784	94,972	35,013	39,327	135,090
Total project EBITDA	<u>442,036</u>	<u>541,751</u>	<u>157,386</u>	<u>172,099</u>	<u>740,674</u>

2.3.9 Dividend receipts

The following are the dividends received from the Company's main investments (expanded solo) in 2025, up to the date of publication of the financial statements, and the projected receipts of dividends for 2025:

	From January 2025 to the date of publication of the reports		2025 forecast
	NIS millions		
Amot	252		319
BE	43		43
Energix	83		110
AH Boston	22		32
Total cash dividend	400		504
²³ Carr – Dividend reinvestment plan	-		118
Total dividend	<u>400</u>		<u>622</u>

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 were received and which may be received upon realization of their properties.

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.

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

2.4 Liquidity and financing sources

2.4.1 Cash and credit facilities

As of September 30, 2025, the Group has cash balances of NIS 2 billion (of which the Company's expanded solo balance - NIS 252 million) and unutilized lines of credit in the amount of approx. NIS 2.5 billion (of which the Company's expanded solo lines of credit - NIS 550 million).

2.4.2 Unencumbered assets

As of September 30, 2025, all of the Company's assets (expanded solo) are not encumbered. Their balance (not including cash) as of September 30, 2025 is NIS 11.2 billion (a market value of NIS 15.4 billion). As of September 30, 2025, Amot has a balance of unencumbered assets (approx. 98%) in the amount of approx. NIS 20.5 billion.

2.4.3 Financial debt

As of September 30, 2025, the Group's net financial debt amounted to NIS 26.2 billion, constituting 57.8% of the Group's total assets, compared to a net financial debt of NIS 20.9 billion, which constituted 54.2% of the Group's assets as of December 31, 2024.

As of September 30, 2025, the net financial debt of the Company (expanded solo) amounted to NIS 5.8 billion, constituting 51.2% of the total assets of the Company (expanded solo), compared to net financial debt of NIS 5.2 billion, constituting 48.5% of the assets of the Company (expanded solo), as of December 31, 2024.

2.4.3.1 The Company (expanded solo)

- In June 2025, the Company issued NIS 499 million PV of bonds (Series M) by way of a series expansion through a shelf offering report, for a total net consideration of NIS 482 million.
- In September 2025, the Company issued, by way of an initial public offering through a shelf offering report:
 - a.) NIS 196 million PV of bonds (Series Q) for their nominal value. The bonds (Series Q) are unlinked (principal and interest) and bear annual fixed interest at a rate of 3.68%.
 - b.) NIS 102.3 million PV of bonds (Series P) for their nominal value. The bonds (Series P) are linked to the CPI for August 2025 and bear annual fixed interest at a rate of 5.7%.

For additional information, please see Note 10a to the financial statements.

- As of September 30, 2025, the Company has a credit facility in the total amount of NIS 550 million, which is unutilized.

For information regarding the Company's credit facilities, please see Note 1b to the Annual Financial Statements and Note 8 to the financial statements.

2.4.3.2 Consolidated companies

During the reporting period and after the balance sheet date, the consolidated companies carried out the following actions:

Amot:

- In May 2025, through an expansion of bonds (Series J), Amot issued bonds to the public in the amount of NIS 636 million PV in consideration for a net amount of NIS 665 million (including accrued interest). For additional information, please see Note 10b to the financial statements.

Carr:

- For information regarding loans taken by Carr, please see Notes 6b.2 and 6b.3 to the financial statements.

Energix:

- In March 2025, Energix issued NIS 549 million PV of Energix bonds (Series A) by way of a series expansion by way of shelf offering report, for a total net consideration of NIS 504 million. Also in the reporting period, Energix issued non-tradable securities in the amount of NIS 100 million PV, with interest in the range of 4.5%-5% for a period of one year with an option to renew for additional one year periods up to a maximum period of five years. In September 2025, Energix expanded the series of commercial securities by an additional amount of approx. NIS 100 million, under terms identical to the terms of the original series.
- **Project financing agreement in the amount of up to USD 491 million** - During the third quarter of 2025, Energix engaged in a transaction with MUFG Bank for the receipt of project financing in the amount of up to USD 491 million for the financing of the construction of the E5 project backlog with a total capacity of approx. 270 MWp. The financing provided by MUFG Bank will include short-term financing for the construction period, which will be replaced by long-term back leverage financing, and a bridging loan until the investment of the projects' tax partner. After the balance sheet date, close to the Company's signing of the tax partner agreements for the project, Energix made withdrawals from the financing facility for the project's construction period in the amount of approx. USD 121 million. For additional information, please see Note 8c.2 to the financial statements.
- **Credit facilities** - As of the date of the report, Energix has credit facilities, used for providing guarantees and short-term loans, totaling approx. NIS 1.6 billion, of which a total of NIS 1 billion is utilized.

In addition, Energix signed for long-term credit facilities with banking corporations in Israel for up to USD 275 million, of which approx. USD 218 million was utilized as of the date of the report. The credit facilities are for periods of one to three years. Against these facilities, Energix has pledged equipment it owns that has not yet been financed through project financing.

- **Signing of an investment agreement (tax partner) and first time completion of the set of agreements for implementing Energix's cooperation agreement with Google for Energix's projects in the United States** - In the reporting period, Energix signed a tax partner investment agreement with Google for up to USD 100 million in relation to its photovoltaic projects in the United States with a capacity of approx. 78 MWp.
- **Signing of a transaction for the financing of a project in Israel with a capacity of approx. 30 MWp + 48 MWh** - During the reporting period, Energix signed an agreement for the receipt of financing for the project in the amount of up to NIS 94 million, of which approx. NIS 86 million were utilized. The financing transaction is on a non-recourse basis under accepted terms for project finance transactions.
- **E4 backlog - tax partner investment** - During the reporting period, Energix received a total of approx. USD 55 million of the total tax partner investment of approx. USD 76 million in relation to 3 projects with a total capacity of approx. 70 MWp included in the E4 Backlog. The balance of the tax partner investment in relation to the remaining project with a capacity of approx. 24 MWp, estimated at approx. USD 21 million, is expected to be received in the coming weeks. For additional information regarding the E4 backlog, please see Note 5b.3 to the financial statements.

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

2.4.4 Working capital deficit

The working capital deficit as of September 30, 2025 amounted to a total of approx. NIS 2.1 billion in the consolidated statements (approx. 0.2 billion in the Company's expanded solo statements). As of September 30, 2025, 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 loss of NIS 372 million, compared to a loss of NIS 28 million in the corresponding period last year. The share attributed to Company shareholders in the reporting period amounted to a loss of approx. NIS 13.5 million, compared to a loss of NIS 436 million attributed to Company shareholders in the corresponding period last year. **The loss includes expenses for the realization of the "translation difference reserve and other reserves" due to the first-time consolidation of Carr in the amount of NIS 396 million (an expense that is a reclassification and does not affect the Company's equity).**

In the reporting period, the Group recorded comprehensive income of NIS 375 million, compared to comprehensive income of NIS 164 million in the corresponding period last year. The share attributed to Company shareholders in the reporting period amounted to a profit of approx. NIS 99.7 million, compared to a comprehensive loss of NIS 321 million attributed to Company shareholders in the corresponding period last year.

For an explanation of the operating results in the reporting period, please see Sections 2.5.1 and 2.5.2 below.

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

	Nine months	Nine months	Q3	Q3	For the year
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Revenue and profits					
Revenue from rental fees and management of investment property	1,180,191	1,036,659	477,896	360,977	1,389,184
Fair value adjustments of investment property	313,291	313,241	18,201	301,614	607,208
Group share in the losses of associates, net	57,499	(477,744)	4,923	(60,665)	(540,178)
Net profits (losses) from investments in securities measured at fair value through profit and loss	(8,313)	(69,170)	(730)	(114)	(227,508)
Profit from decrease in rate of holding, from acquisition and realization of associates	116,768	13	116,846	1	23
Revenue from sale of electricity and green certificates	562,911	645,627	197,759	209,561	856,210
Other revenue, net	1,385	4,467	983	811	26,010
	2,223,732	1,453,093	815,878	812,185	2,110,949
Costs and expenses					
Cost of investment property rental and operation	187,841	133,496	89,881	47,463	180,460
Initiation, maintenance and operation costs of electricity-generating facilities	124,398	101,277	46,088	40,145	121,400
Depreciation and amortizations	238,180	160,026	69,105	61,346	228,141
Administrative and general	213,687	192,391	83,263	75,380	266,809
Financing expenses, net	839,845	890,343	361,139	332,776	987,298
	1,603,951	1,477,533	649,476	557,110	1,784,108
Profit (loss) before taxes on income	619,781	(24,440)	166,402	255,075	326,841
Income tax expenses	(148,797)	3,856	(145,590)	10,491	77,635
Profit (loss) before the effect of the realization of reserves due to the first-time consolidation of Carr	768,578	(28,296)	311,992	244,584	249,206
Realization of translation difference reserve and other reserves due to the first-time consolidation of Carr	(396,451)	-	(396,451)	-	-
Net profit (loss) for the period	372,127	(28,296)	(84,459)	244,584	249,206
Allocation of net profit (loss) for the period:					
Company shareholders' share	(13,518)	(436,249)	(214,824)	43,362	(346,199)
Share of non-controlling interests	385,645	407,953	130,365	201,222	595,405
	372,127	(28,296)	(84,459)	244,584	249,206

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

Revenue from rental fees and investment property management - amounted to NIS 1.2 billion in the reporting period, compared to NIS 1 billion in the corresponding period last year, an increase of NIS 143 million (approx. 13%).

Most of the increase in the amount of NIS 123 million stems from revenue from the first-time consolidation of Carr starting in the third quarter, in addition to an increase in revenue from Amot properties (approx. NIS 22 million) due to additional revenue from identical properties (among other things as a result of occupancy, price increases, and the increase in the CPI), which is offset by a decrease of approx. NIS 2 million from BE properties revenue.

Fair value adjustment of investment property - In the reporting period, positive property revaluations were recorded in the amount of NIS 313 million, which stem from a value adjustment of Carr's assets in the third quarter of 2025 (from the date of gaining control) in the amount of NIS 35 million, as well as from a value adjustment of Amot's assets in the amount of NIS 257 million (the increase stems from a revaluation for the effect of the CPI in the period on the property values and a revaluation of a property in development) and in BE in the amount of approx. NIS 23 million, which stemmed mainly from an increase in the value of a property in development in the City of London resulting from the expected rise in rental fees.

In the corresponding period last year, positive property revaluations were recorded in the amount of NIS 12 million, which stem from a positive revaluation in Amot in the amount of NIS 418 million, which was offset by fair value losses in respect of BE's properties in the amount of NIS 103 million, resulting from an increase of 0.25% in the discount rate of the projected cash flow of some of the properties.

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 profits** - A profit of NIS 87 million was recorded in the reporting period, compared to a loss of NIS 208 million in the corresponding period last year. The profit in the reporting period is partly due to a positive value adjustment of Carr's assets until the date of gaining control of Carr. As of the date of gaining control, in July 2025, the Company ceased the recording of equity profits due to the consolidation of Carr's financial statements.
- **Group share in AH Boston's profits** - A loss of NIS 45 million was recorded in the reporting period, compared to a loss of NIS 287 million recorded in the corresponding period last year.

Negative revaluations were recorded in the amount of USD 21 million in respect of the Boston properties (the Group's share in the negative revaluation before tax is approx. USD 11 million (NIS 41 million)).

The negative revaluations of properties in the corresponding period resulted mainly from the increase of 0.25%-0.50% in the discount rate of the properties' projected cash flow.

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

Revenues from the sale of electricity and green certificates - Revenues from the sale of electricity and green certificates in the reporting period amounted to NIS 563 million compared to NIS 645 million in the corresponding period last year, a decrease of NIS 83 million.

The decrease is mainly due to a decrease in electricity revenues from Poland due to lower yields in Poland as a result of weak wind conditions and lower yields in the United States (approx. NIS 63 million) and from lower electricity prices in Poland with an offsetting effect of an increase in availability revenue in the United States (approx. NIS 58 million) and from the currency effect, mainly due to the strengthening of the NIS against the USD, which were offset by an increase in revenue in respect of the connection of facilities in the United States and in Israel (approx. NIS 48 million).

Net financing expenses - Financing expenses in the reporting period amounted to NIS 840 million compared to NIS 890 million in the corresponding period last year, a decrease of NIS 50 million. The change stems mainly from an increase in financing expenses of NIS 51 million due to the consolidation of Carr starting in the third quarter of 2025, which was offset by a decrease in the Group's financial debt balance.

Tax expenses (income) - In the reporting period, the Company did not create deferred tax assets due to the forecast for their non-utilization in the foreseeable future.

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

	Nine months	Nine months	Q3	Q3	For the year
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Profit (loss) before the effect of the realization of reserves due to the first-time consolidation of Carr	768,578	(28,296)	311,992	244,584	249,206
Realization of reserves due to the gaining of control in Carr (2)	(396,451)	-	(396,451)	-	-
Total net profit (loss)	372,127	(28,296)	(84,459)	244,584	249,206
Loss from investment in Carr(1)	(113,930)	(885)	(36,562)	(17,586)	(21,344)
Realization of reserves due to the gaining of control in Carr (2)	396,451	-	396,451	-	-
Loss from investment in AH Boston properties (1)	(23,363)	(2,506)	(4,269)	(6,335)	(2,443)
Profit (loss) from investment in BE (1)	(101,811)	145,359	(105,633)	87,596	(52,143)
Profit (loss) from investment in Energix and others (3)	(157,729)	20,469	(60,537)	6,796	(57,840)
Tax effects	3,489	1,116	(83)	2,325	2,582
Other comprehensive income for the period	3,107	163,553	189,367	72,796	(131,188)
Total comprehensive income for the period	375,234	135,257	104,908	317,380	118,018

(1) Profit (loss) from investment in respect of foreign currency - The profit (loss) represents the increase (decrease) in the Company's investments due to changes in the NIS against the investment currencies in the reporting periods presented above. This profit (loss) is presented net of the effect of forward transactions and cross-currency swap transactions in USD, designated as hedges for investments. In the first nine months of 2025, there was an appreciation of the NIS by 9.3% against the USD and an appreciation of 2.84% against the GBP. In the corresponding period last year, there was a devaluation of the NIS by a rate of 2.2% and 7.58% against the USD and the GBP, respectively.

(2) Due to the gaining of control, and the first-time consolidation of Carr's statements as stated, and in accordance with the requirements of IFRS 3, the Company's holding in Carr was measured at fair value on the date of gaining control. Following the above, the translation difference reserve from foreign operations and cash flow hedge funds for exposure to variable interest to profit or loss accumulated in the Company's statements in relation to the investment in Carr, at a negative amount of approx. NIS 396 million, were reclassified to "Realization of the translation difference reserve and other reserves due to the gaining of control in Carr" in the Statement of Income for the third quarter of 2025 (from the Company's equity items). The recognition of the above loss has no impact on the Company's equity balance.

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

2.6 Cash Flows

	Nine months	Nine months	For the year
	2025	2024	2024
	NIS millions	NIS millions	NIS millions
Total cash provided by operating activities	661	716	1,064
Cash flows used in investing activities			
Investment in investment property and fixed assets (including property in development)	(818)	(677)	(864)
Proceeds from the realization of investment property	221	334	334
Investment in electricity-generating systems	(1,906)	(952)	(1,429)
Investment in AH Boston	(73)	(18)	(124)
Repaid hedging transactions	(56)	(277)	(388)
Investment in Brockton Funds, net	-	(84)	(69)
Gaining of control in Carr, net	(185)	-	-
Net increase in deposits (including encumbered deposits) and realization of tradable securities	(100)	639	612
Total cash used in investing activities	(2,917)	(1,035)	(1,929)
Cash flows provided by financing activities			
Receipt of loans	1,655	1,389	2,056
Proceeds from the issuance of bonds	1,924	555	555
Repayment of liabilities	(771)	(2,621)	(2,827)
Proceeds from the issuance of shares and options	33	319	1,004
Capital raised by Amot (net of the Company's investment in the issue)	355	12	-
Capital raised by Energix (net of the Company's investment in the issue)	-	16	-
Capital raised by BE (net of the Company's investment in the issue)	-	12	-
Proceeds from the issue of shares and options to non-controlling interests	76	-	92
Acquisition of shares from non-controlling interests	-	(19)	(59)
Payment of dividends to Company shareholders and to non-controlling interests in consolidated companies	(485)	(480)	(611)
Total cash provided by financing activities	2,787	(817)	210
Total increase (decrease) in cash balances in the period	531	(1,136)	(655)
Other influences	(37)	17	5
Cash and cash equivalents and designated deposit balance at end of period	2,046	1,083	1,552
Less designated deposit	(26)	(43)	(28)
Cash and cash equivalents at end of period	2,020	1,040	1,524

2.7 Equity

2.7.1 Equity per share

	As of June 30 2025	As of December 31 2024
	NIS millions	NIS millions
Equity	12,689	11,633
Less non-controlling interests	(7,257)	(6,219)
Equity attributed to Company shareholders	5,431	5,414
 Equity per share (NAV per share)	 25.14	 25.18
 Equity per share, not including tax reserves (NNAV per share)	 29.54	 29.65

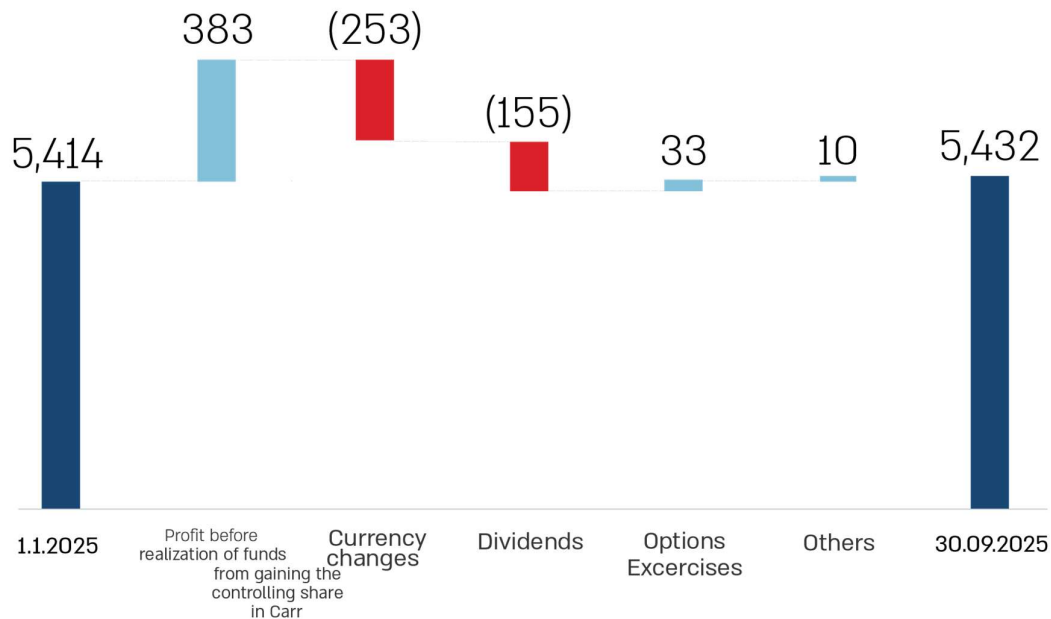
2.7.2 Explanation of changes in equity

During the reporting period, the capital attributed to the Company's shareholders increased by NIS 17 million. The main changes are as follows:

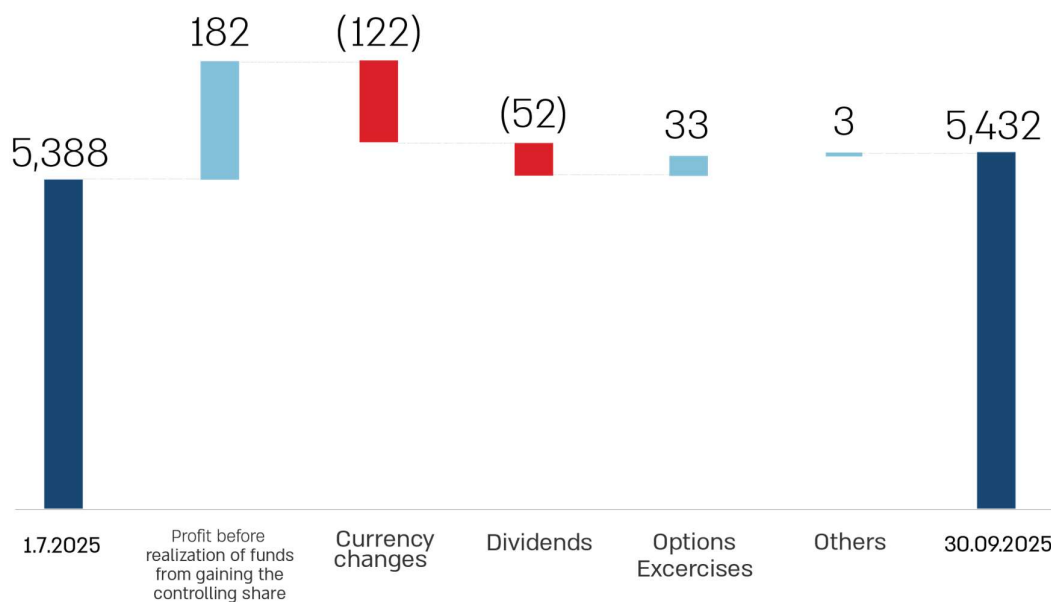
- Other comprehensive income attributed to the Company shareholders in the amount of NIS 100 million - please see additional details in Section 2.5.3 above.
- A reduction in capital following dividends declared in the amount of NIS 155 million.
- Exercises of Series 16 options and non-tradable options for a total of NIS 33 million.
- Increase due to option exercises, option expirations and capital issuances in subsidiaries in the amount of NIS 37 million.

Analysis of movements in equity attributed to Company shareholders

For the Nine Month Period ended September 30, 2025 (in NIS millions)



For the Three Month Period ended September 30, 2025 (in NIS millions)



2.7.3 Effects of changes in exchange rates on the Company's equity

The following is the composition of the surplus of assets over liabilities based on the Company's statements (expanded solo) divided by currency as of September 30, 2025 (in NIS millions)²⁴:

As of September 30, 2025	Assets	Liabilities	Assets, net	%
USD	2,067	(887)	1,180	22%
GBP	3,322	(1,509)	1,813	33%
Other	-	(1)	(1)	0%
Excess assets over liabilities in foreign currency	5,389	(2,397)	2,992	55%
Excess assets over liabilities in NIS	6,268	(3,828)	2,440	45%
Equity as of March 31, 2025	11,657	(6,225)	5,432	100%

2.7.4 Dividends distributed by the Company in 2025

For information regarding dividends distributed by the Company in 2025, please see Note 11a to the financial statements.

2.8 Remuneration of senior officers and directors

For details on options granted to the Company's senior officers and directors, see Note 17e to the annual financial statements and Note 11b to the financial statements.

For information regarding the new terms of service of the Company CEO and the Chairman of the Board of Directors for the years 2025-2027, please see Notes 19a and 19b to the Annual Financial Statements, respectively.

3. Market risk exposure and management

3.1 Over the course of the reporting period, no material changes have occurred in the types of market risks as reported in the Board of Directors Report for 2024 and in Company policy regarding the management of these risks.

3.2 Regarding the linkage base report for monetary balances (expanded solo) as of September 30, 2025, please see Section 2.7.3 above and Appendix B.

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

4. Corporate governance aspects

4.1. The Company's Board of Directors

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

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

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

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

4.2 The Company's Internal Auditor

On November 16, 2022, the Audit Committee approved a multi-year work plan for the years 2023-2026, based on 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 multi-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.

At its May 14, 2025 meeting, the Audit Committee discussed the Internal Auditor's report on employee options.

At its July 29, 2025 meeting, the Audit Committee discussed the Internal Auditor's report on general procurement (including travel abroad).

The Internal Auditor's reports on the subject of Control over Publicly Held Companies - Amot and on the subject of Information Systems - Information Security and Cyber are expected to be discussed in the upcoming Audit Committee, which is expected to be held at the end of November 2025.

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

Director and CEO

Aviram Wertheim

Chairman of the
Board of Directors

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

Appendix A - Financial Information - Expanded Solo

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

Appendix C - Special Disclosure for Bondholders

Appendix D - Rating Reports

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

Appendix F - Information regarding Material Assets

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, Energix, Carr 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 September 30	As of December 31
	2025	2024
	NIS thousands	NIS thousands
<u>Current assets</u>		
Cash and cash equivalents	251,835	641,761
Other accounts receivable	83,169	38,533
Total current assets	335,004	680,294
<u>Non-current assets</u>		
Securities measured at fair value through profit and loss	202,733	218,459
Investments in investees	11,081,640	10,415,263
Miscellaneous	37,233	15,534
Total non-current assets	11,321,606	10,649,256
Total assets	11,656,610	11,329,550
<u>Current liabilities</u>		
Short-term credit and current maturities of long-term liabilities	363,689	378,454
Other accounts payable	152,853	295,661
Total current liabilities	516,542	674,115
<u>Non-current liabilities</u>		
Bonds and long-term loans	5,658,866	5,180,764
Deferred taxes	11,610	11,541
Miscellaneous	37,986	49,554
Total non-current liabilities	5,708,462	5,241,859
Equity	5,431,606	5,413,576
Total liabilities and equity	11,656,610	11,329,550

Board of Directors' Report 39

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

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

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

1.4 The Company's liabilities (expanded solo) maturing after September 30, 2025:

	Bonds	Short-term credit	Total	%
	NIS thousands	NIS thousands	NIS thousands	
Current maturities	355,919	7,770	363,689	6
Second year	355,919	-	355,919	6
Third year	994,748	-	994,748	16
Fourth year	994,748	-	994,748	16
Fifth year	717,787	-	717,787	12
Sixth year onward	2,830,383	-	2,830,383	45
Total repayments	6,249,504	7,770	6,257,274	100
Miscellaneous			(140,320)	
Balance of asset related to financial derivative transactions			(24,129)	
Total financial debt (taking into account the value of financial derivative transactions)			6,092,825	

(*) Not including the effect of swap transactions with financial entities in Israel, so that NIS bonds were "converted" to liabilities in USD and GBP, and to liabilities linked to the CPI.

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

As of September 30, 2025 - in NIS millions	In unlinked NIS	In linked NIS	In USD	In GBP	Other	Total	Adjustments - non-monetary items	Total
Current assets								
Cash and cash equivalents	242	-	9	1	-	252	-	252
Other accounts receivable	64	-	-	-	-	64	19	83
Total current assets	306	-	9	1	-	316	19	335
Non-current assets								
Securities measured at fair value through profit and loss	-	-	-	203	-	203	-	203
Investments in associates	-	-	-	-	-	-	11,082	11,082
Miscellaneous	36	-	-	-	-	36	1	37
Total non-current assets	36	-	-	203	-	239	11,083	11,322
Total assets	342	-	9	204	-	555	11,102	11,657
Current liabilities								
Short-term credit and current maturities of long-term liabilities	364	-	-	-	-	364	-	364
Other payables	120	25	-	-	-	145	7	152
Total current liabilities	484	25	-	-	-	509	7	516
Non-current liabilities								
Bonds and long-term loans	4,463	1,196	-	-	-	5,659	-	5,659
Deferred tax liabilities	-	-	-	-	-	-	12	12
Miscellaneous	37	-	1	-	-	38	0	38
Total non-current liabilities	4,500	1,196	1	-	-	5,697	12	5,709
Total liabilities	4,984	1,221	1	-	-	6,206	19	6,225
Excess assets over liabilities (liabilities over assets)	(4,642)	(1,221)	8	204	-	(5,651)	11,083	5,432
Financial derivatives	2,143	250	(885)	(1,508)	-	-	-	-
Excess financial assets over financial liabilities (financial liabilities over financial assets)	(2,499)	(971)	(877)	(1,304)	-	(5,651)	11,083	5,432
Distribution of non-monetary assets (liabilities), net - by linkage basis	1,045	4,865	2,057	3,117	(1)	11,083	(11,083)	-
Excess assets over liabilities (liabilities over assets)	(1,454)	3,894	1,180	1,813	(1)	5,432	-	5,432

Appendix C - Special Disclosure for Bondholders

1.) FFO adjusted for the Company's liabilities

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

	Nine months 2025	Nine months 2024	For the year 2024
	NIS thousands	NIS thousands	NIS thousands
Share of Company shareholders in the loss for the period	(13,518)	(436,249)	(346,199)
Adjustments to profit and loss:			
Fair value adjustments of investment property	(313,291)	(313,241)	(607,208)
Company share in real estate revaluations and other non-FFO items in investees	28,559	604,701	702,618
Profit from decrease in rate of holding, from purchase and realization of investees	(116,502)	-	-
Realization of capital reserves due to the gaining of control in Carr	396,451	-	-
Net losses from investments in securities measured at fair value through profit and loss	8,313	74,145	231,945
Others (mainly depreciation and amortizations) (*)	278,746	151,390	208,458
Non-FFO financing expenses (mainly linkage differences and exchange rate differences)	330,150	428,294	354,889
Non-FFO deferred taxes and current taxes, net	(184,615)	(63,274)	(15,835)
Share of non-controlling interests in the above adjustments to FFO	(34,885)	(35,784)	7,557
Real FFO - according to the Management's approach	379,408	409,982	536,225
The sources of the FFO are as follows:			
Revenue			
Investment property NOI	992,346	900,506	1,208,724
NOI from the sale of electricity (**)	455,523	524,239	693,658
Group's share in Carr's FFO, not including real estate revaluations	62,741	83,552	110,216
Group's share in AH Boston's FFO, not including real estate revaluations	7,888	23,746	29,899
Group's share in FFO of associates in Amot and in Brockton Everlast	15,693	19,315	22,348
Other revenue	1,385	9,442	30,498
Total revenue	1,535,576	1,560,800	2,095,343
Expenses			
Real financing, net	(509,695)	(462,049)	(632,409)
Administrative and general	(190,127)	(177,902)	(245,391)
Current taxes	(35,654)	(67,130)	(93,470)
Share of non-controlling interests attributed to operating activities	(420,692)	(443,737)	(587,848)
Total expenses	(1,156,168)	(1,150,818)	(1,559,118)
Real FFO - according to the Management's approach	379,408	409,982	536,225

2.) Special Disclosure for Bondholders

The following is current data as of September 30, 2025 regarding bonds issued by the Company:

(In millions)	Bonds (Series I)	Bonds (Series J)	Bonds (Series K)	Bonds (Series L)	Bonds (Series M)	Bonds (Series O)	Bonds (Series P)	Bonds (Series Q)	Total
Par value	312	400	161	2,055	1,861	1,050	102	196	6,138
Linked par value	312	400	161	2,055	1,861	1,162	102	196	6,250
Value in the financial statements	314	401	159	1,958	1,781	1,095	101	195	6,004
Stock market value	315	408	152	1,923	1,895	1,136	104	205	5,829
Accrued interest	7	2	3	29	54	17	93	276	113

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

Financial ratio		Criterion	Value as of September 30, 2025
Net financial debt to value of holdings ²⁵	%	Less than 80%	50.1%
Minimum equity (Series I, J, K, L, M, O, P and Q) ²⁶	NIS billions	More than 2.2	5.4

For additional information, please see Section 5.2.2 of Chapter F(5) to the Description of the Corporation's Business in the 2024 Periodic Report.

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

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

Appendix D - Rating Reports²⁷

As of the date of publication of this report:

- The Company's bonds (Series I, J, K, L, M, O, P and Q) are rated iAA- with a stable rating outlook by Maalot. The issuer's rating is the same. For a rating report by Maalot, the Israeli Securities Rating Company Ltd., in which the Company's rating was ratified and the outlook was updated from negative to stable, please see the immediate report dated April 8, 2025 (Ref: 2025-026195) and the report dated September 18, 2025 (Ref: 2025-15-070465).
- The Company's bonds (Series I, J, L, M, O, P and Q) are rated Aa3 with a stable outlook by Midroog. The issuer's rating is the same. For a rating report by Midroog, in which the Company's rating was confirmed and the outlook was updated from negative to stable, please see the immediate report published by the Company on May 6, 2025 (Ref: 2025-01-031642) and the report dated September 18, 2025 (Ref: 2025-15-070411).

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

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

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

Appendix F – Material Assets²⁸

The following is information regarding a material asset - One Congress, an income-generating property (the above information relates to 100% of the project. Carr's share in the property as of September 30, 2025 is 75%.

Parameters	September 30, 2025
Subject of the valuation	Income-generating property
Property name	One Congress
Carr's share in the property	75%
Property location	1 Congress St. Boston, MA 02114
Size (leasable sq ft)	1,008,122
Main use	Offices
Identity of appraiser²⁹	Caitlin Bevis - Breakpoint Advisors
About the appraiser	Ms. Caitlin Bevis (MAI) is the Managing Partner of Breakpoint Advisors, a real estate appraisal and consulting firm whose main clients are institutional clients. Ms. Bevis is a member of the Appraisal Institute and holds an appraisal license in various states. Ms. Bevis specializes in the appraisal of most types of real estate throughout the United States. Ms. Bevis focuses mainly on the appraisal of offices located in CBD and suburban areas as well as industrial, commercial and residential properties. Ms. Bevis also teaches and coaches students and colleagues at the Steers Center for Global Real Estate at Georgetown University's School of Business. Previously, she served as a property manager for a portfolio of medical offices. Prior to founding Breakpoint, Ms. Bevis held management positions at Capright Appraisals as the Boston Branch Manager, and before that as an appraiser at Walden Merling. Ms. Bevis holds a Master of Arts degree from the University of Chicago and has over 23 years of experience in commercial real estate.
Independence of appraiser	The appraiser is independent.
Indemnity agreement?	There is indemnity on the part of Carr, except in cases of negligence or misconduct on the part of the appraiser. The specific wording does not include negligence or misconduct of Breakpoint.
Valuation date²⁹	30/09/2025
Valuation model	Income approach (DCF)
Fair value shortly before the valuation date (fair value as of June 30, 2025) (100% of the asset) (USD millions)	998.9
Fair value shortly as of the valuation date (September 30, 2025) (100% of the asset) (USD millions)	1017.2
Revaluation gains in the third quarter of 2025 (100% of the asset) (USD millions)	7.5
Revaluation gains in 2025 (100% of the asset) (USD millions)	26
Discount rate	6.5%
Exit rate	7.5%
Annual inflation rate for market rental fees	Years 1-2 – 0% Year 3 – 2% Year 4 onwards – 3%
Inflation rate for expenses	Year 2 onwards – 3%
Probability of renewal	65%
Marketing period for tenant replacement	12 months
The first months exempt from rent	10 months (for a 10-year rental period)

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

²⁹ The valuation was carried out by the appraiser as of June 2025, and was updated to September 30, 2025 by Carr based on the same working assumptions of the model from June 30, 2025, as Carr's assessment is that these estimates are also valid for this date.



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

CONSOLIDATED FINANCIAL STATEMENTS

ALONY HETZ PROPERTIES & INVESTMENTS LTD

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

	As of September 30		As of December 31
	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Audited)
Assets			
<u>Current assets</u>			
Cash and cash equivalents	2,020,714	1,040,475	1,524,326
Deposits and designated deposit	257,295	36,058	30,940
Trade receivables	152,621	146,105	115,629
Current tax assets, net	29,461	21,793	29,777
Other receivables	470,099	302,923	302,817
Total current assets	2,930,190	1,547,354	2,003,489
<u>Non-current assets</u>			
Investment property	25,191,497	19,937,873	19,846,080
Investment property in development and land rights	5,662,150	4,989,887	5,160,484
Long-term investments			
Securities measured at fair value through profit and loss	202,733	255,225	218,459
Investment in companies accounted for according to the equity method	1,155,638	2,091,449	2,084,985
Deferred tax assets	306,770	155,765	233,675
Electricity-generating facilities			
Connected electricity-generating facilities	6,395,422	5,710,468	5,674,033
Right-of-use asset	660,672	636,925	617,966
Electricity-generating facilities in development	4,125,782	3,240,144	3,620,530
Restricted deposits	26,422	30,899	30,005
Fixed assets, net	117,915	118,714	120,407
Other assets	524,008	543,790	437,530
Total non-current assets	44,369,009	37,711,139	38,044,154
Total assets	47,299,199	39,258,493	40,047,643

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

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

	As of September 30		As of December 31
	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Audited)
Liabilities and equity			
<u>Current liabilities</u>			
Short term credit and current maturities of long term loans	1,871,151	924,338	850,251
Current maturities of bonds	1,166,124	1,229,556	1,048,061
Current maturities of lease liabilities	42,326	36,101	35,808
Current tax liabilities, net	104,254	95,403	133,592
Other payables	1,641,270	1,738,106	1,644,680
Deferred revenue in respect of agreement with the tax partner	219,278	245,483	228,112
Financial liability in respect of agreement with the tax partner	34,201	46,106	47,095
Total current liabilities	5,078,604	4,315,093	3,987,599
<u>Non-current liabilities</u>			
Bonds	15,548,174	14,003,244	14,192,726
Loans from banking corporations and financial institutions	9,556,352	5,675,837	5,991,375
Lease liability	727,269	697,006	676,820
Deferred tax liabilities	2,129,606	1,937,611	2,038,435
Provisions	16,483	16,483	16,483
Other liabilities	863,187	833,108	865,665
Deferred revenue in respect of agreement with the tax partner	625,557	613,591	549,025
Financial liability in respect of agreement with the tax partner	64,888	105,805	96,989
Total non-current liabilities	29,531,516	23,882,685	24,427,518
<u>Equity</u>			
Equity attributed to Company shareholders	5,431,606	4,888,644	5,413,576
Non-controlling interests	7,257,473	6,172,071	6,218,950
Total equity	12,689,079	11,060,715	11,632,526
Total liabilities and equity	47,299,199	39,258,493	40,047,643

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

On behalf of the Board of Directors:

Aviram Wertheim

Chairman of the Board of Directors

Nathan Hetz

Member of the Board of Directors and CEO

Oren Frenkel

CFO

November 17, 2025

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenues and profits					
Revenues from rental fees and management of investment property	1,180,191	1,036,659	477,896	360,977	1,389,184
Fair value adjustments of investment property	313,291	313,241	18,201	301,614	607,208
Group share in the profits (losses) of associates, net	57,499	(477,744)	4,923	(60,665)	(540,178)
Net losses from investments in securities measured at fair value through profit and loss	(8,313)	(69,170)	(730)	(114)	(227,508)
Revenues from sale of electricity and green certificates	562,911	645,627	197,759	209,561	856,210
Profit from gain of control in Carr - see Note 6b	116,502	-	116,502	-	-
Other revenues, net	1,651	4,480	1,327	812	26,033
	2,223,732	1,453,093	815,878	812,185	2,110,949
Costs and expenses					
Cost of investment property rental and operation	187,841	133,496	89,881	47,463	180,460
Initiation, maintenance and operation costs of electricity-generating facilities	124,398	101,277	46,088	40,145	121,400
Depreciation and amortizations	238,180	160,026	69,105	61,346	228,141
Administrative and general	213,687	192,391	83,263	75,380	266,809
Realization of translation difference reserve and other reserves due to increase in control of Carr - see Note 6b	396,451	-	396,451	-	-
Financing income	(48,139)	(81,041)	(23,414)	(36,625)	(92,140)
Financing expenses	887,984	971,384	384,553	369,401	1,079,438
	2,000,402	1,477,533	1,045,927	557,110	1,784,108
Profit (loss) before taxes on income	223,330	(24,440)	(230,049)	255,075	326,841
Income tax expenses (income)	(148,797)	3,856	(145,590)	10,491	77,635
Net profit (loss) for the period	372,127	(28,296)	(84,459)	244,584	249,206
Company shareholders	(13,518)	(436,249)	(214,824)	43,362	(346,199)
Non-controlling interests	385,645	407,953	130,365	201,222	595,405
	372,127	(28,296)	(84,459)	244,584	249,206

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

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

	For the nine- month period ended September 30	For the nine- month period ended September 30	For the three- month period ended September 30	For the three- month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Audited)
Net earnings (loss) per share attributed to Company shareholders (in NIS)					
Basic	(0.06)	(2.37)	(1.00)	0.23	(1.81)
Fully diluted	(0.06)	(2.37)	(1.00)	0.22	(1.81)
Weighted average of share capital used in calculation of earnings per share (thousands of shares)					
Basic	215,163	184,046	215,311	192,599	191,054
Fully diluted	215,294	184,046	215,552	192,599	191,054

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

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net profit (loss) for the period	372,127	(28,296)	(84,459)	244,584	249,206
Other comprehensive income					
Amounts to be classified in the future to profit and loss, net of tax					
Profit (loss) from the translation of financial statements for foreign activities	(562,885)	371,072	(256,319)	129,986	(23,218)
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	217,320	(234,737)	91,119	(79,359)	(65,473)
Profit (loss) from exchange rate differences and changes in fair value of instruments used for cash flow hedging, net of tax	(42,578)	42,324	(42,038)	31,669	(26,849)
Company share in other comprehensive income (losses) of associates, net of tax	(5,201)	(15,106)	154	(9,500)	(15,648)
Realization of capital reserves due to acquisition of Carr ¹	396,451	-	396,451	-	-
Other comprehensive income (loss) for the period, net of tax	3,107	163,553	189,367	72,796	(131,188)
Total comprehensive income for the period	375,234	135,257	104,908	317,380	118,018
Attribution of comprehensive income (loss) for the period					
Company shareholders	99,673	(321,419)	39,032	89,567	(443,351)
Non-controlling interests	275,561	456,676	65,876	227,813	561,369
	375,234	135,257	104,908	317,380	118,018

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

¹ The amount consists of the realization of a reserve for the translation of financial statements of foreign operations in the amount of approx. NIS 103 million, the realization of a cash flow hedging reserve in the amount of approx. NIS 46 million, and the realization of a reserve for exchange rate differences in respect of derivatives designated for hedging in the amount of NIS 247 million.

Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Nine-Month Period ended September 30, 2025 (Unaudited) (NIS thousands)

	Share capital	Share premium	Receipts on account of options	Capital reserve from translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
Balance as of January 1, 2025	233,107	3,751,981	27,626	(636,807)	387,117	(589)	1,651,141	5,413,576	6,218,950	11,632,526
Total comprehensive income (loss) for the period	-	-	-	98,465	14,726	-	(13,518)	99,673	275,561	375,234
Dividend paid to Company shareholders	-	-	-	-	-	-	(155,020)	(155,020)	-	(155,020)
Dividends paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	-	(330,102)	(330,102)
Entry into the consolidation - see Note 6b	-	-	-	-	-	-	-	-	691,379	691,379
Issuance of capital in consolidated companies	-	-	-	-	19,301	-	-	19,301	365,346	384,647
Exercise of Series 16 options	650	22,005	(1,751)	-	-	-	-	20,904	-	20,904
Exercise of employee options	389	13,498	-	-	(1,459)	-	-	12,428	-	12,428
Exercise of employee options in subsidiaries	-	-	-	-	9,808	-	-	9,808	26,328	36,136
Expiry of employee options in the Company and in consolidated companies	-	3,698	-	-	4,285	-	-	7,983	(7,983)	-
Allocation of benefit in respect of options to employees and officers	-	-	-	-	2,953	-	-	2,953	17,994	20,947
Balance as of September 30, 2025	234,146	3,791,182	25,875	(538,342)	436,731	(589)	1,482,603	5,431,606	7,257,473	12,689,079

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

Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Three-Month Period ended September 30, 2025 (Unaudited) (NIS thousands)

	Share capital	Share premium	Receipts on account of options	Capital reserve from translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
Balance as of July 1, 2025	233,107	3,755,668	27,626	(767,338)	390,549	(589)	1,749,231	5,388,254	6,230,651	11,618,905
Total comprehensive income (loss) for the period	-	-	-	228,996	24,860	-	(214,824)	39,032	65,876	104,908
Dividend paid to Company shareholders	-	-	-	-	-	-	(51,804)	(51,804)	-	(51,804)
Dividends paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	-	(97,555)	(97,555)
Entry into the consolidation - see Note 6b	-	-	-	-	-	-	-	-	691,379	691,379
Issuance of capital in consolidated companies	-	-	-	-	19,294	-	-	19,294	349,198	368,492
Exercise of Series 16 options	650	22,005	(1,751)	-	-	-	-	20,904	-	20,904
Exercise of employee options	389	13,498	-	-	(1,459)	-	-	12,428	-	12,428
Exercise of employee options in subsidiaries	-	-	-	-	2,496	-	-	2,496	11,442	13,938
Expiry of employee options in the Company and in consolidated companies	-	11	-	-	(11)	-	-	-	-	-
Allocation of benefit in respect of options to employees and officers	-	-	-	-	1,002	-	-	1,002	6,482	7,484
Balance as of September 30, 2025	234,146	3,791,182	25,875	(538,342)	436,731	(589)	1,482,603	5,431,606	7,257,473	12,689,079

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

Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Nine-Month Period ended September 30, 2024 (Unaudited) (NIS thousands)

	Share capital	Share premium	Receipts on account of options	Capital reserve from translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
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 (loss) for the period	-	-	-	110,608	4,222	-	(436,249)	(321,419)	456,676	135,257
Dividend paid to Company shareholders	-	-	-	-	-	-	(99,446)	(99,446)	-	(99,446)
Dividends paid to non-controlling interests in consolidated companies	-	-	-	-	-	-	-	-	(382,911)	(382,911)
Issuance of shares and options	13,311	293,640	12,261	-	-	-	-	319,212	-	319,212
Issuance of capital in consolidated companies	-	-	-	-	1,447	-	-	1,447	69,631	71,078
Expiry of employee options	-	3,468	-	-	(3,468)	-	-	-	-	-
Allocation of benefit in respect of options to employees and officers	-	-	-	-	3,343	-	-	3,343	23,682	27,025
Acquisition of shares from non-controlling interests in a consolidated company	-	-	-	-	(16,550)	-	-	(16,550)	(57,073)	(73,623)
Balance as of September 30, 2024	211,107	3,104,746	12,261	(458,891)	420,213	(589)	1,599,797	4,888,644	6,172,071	11,060,715

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

Alony-Hetz Properties and Investments Ltd. | Condensed Consolidated Statements of Changes in Equity for the Three-Month Period ended September 30, 2024 (Unaudited) (NIS thousands)

	Share capital	Share premium	Receipts on account of options	Capital reserve from translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non- controlling interests	Total equity
Balance as of July 1, 2024	197,796	2,810,867	-	(501,778)	416,188	(589)	1,591,181	4,513,665	6,064,813	10,578,478
Total comprehensive income for the period	-	-	-	42,887	3,318	-	43,362	89,567	227,813	317,380
Dividend paid to Company shareholders	-	-	-	-	-	-	(34,746)	(34,746)	-	(34,746)
Dividends paid to non-controlling interests in a consolidated company	-	-	-	-	-	-	-	-	(98,733)	(98,733)
Issuance of shares and options	13,311	293,640	12,261	-	-	-	-	319,212	-	319,212
Issuance of capital in consolidated companies	-	-	-	-	(131)	-	-	(131)	11,981	11,850
Expiry of employee options	-	239	-	-	(239)	-	-	-	-	-
Allocation of benefit in respect of options to employees and officers	-	-	-	-	1,080	-	-	1,080	6,224	7,304
Acquisition of shares from non-controlling interests in a consolidated company	-	-	-	-	(3)	-	-	(3)	(40,027)	(40,030)
Balance as of September 30, 2024	211,107	3,104,746	12,261	(458,891)	420,213	(589)	1,599,797	4,888,644	6,172,071	11,060,715

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

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

	Share capital	Share premium	Receipts on account of options	Capital reserve from translation of financial statements for foreign activity	Capital reserve for employee options and other capital reserves	Company shares held by the Group	Retained earnings	Total attributed to Company shareholders	Non-controlling interests	Total equity
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 (loss) 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)
Dividends 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 Condensed Consolidated Financial Statements.

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Unaudited)	NIS thousands (Audited)
Cash flows - Operating activities					
Net profit for the period	372,127	(28,296)	(84,459)	244,584	249,206
Net income (expenses) not entailing cash flows (Appendix A)	621,563	858,114	580,057	52,309	1,051,783
	993,690	829,818	495,598	296,893	1,300,989
Changes in working capital (Appendix B)	(332,345)	(113,064)	(209,463)	(8,009)	(236,656)
Net cash provided by operating activities	661,345	716,754	286,135	288,884	1,064,333
Cash flows - Investing activities					
Investment in fixed assets and investment property (including investment property in development)	(818,400)	(659,073)	(274,074)	(154,786)	(864,383)
Proceeds from the realization of investment property, net of tax	221,100	333,809	195,915	91,163	333,570
Investment in electricity-generating systems	(1,906,516)	(951,775)	(835,691)	(339,545)	(1,428,938)
Investment in associates	(72,515)	(18,424)	(57,885)	(3,067)	(124,240)
Decrease (increase) in pledged deposit and restricted cash	(112,655)	636,692	11,329	329	636,054
Repayments of loans and investments in associates, net	2,645	3,050	568	2,634	4,000
Provision of loans to others	(4,866)	(18,051)	(127)	(2,121)	(28,167)
Decrease in deposits and tradable securities, net	40,485	-	40,485	-	-
Cash from forward transactions and options designated for hedging	(55,854)	(276,974)	18,560	(152,386)	(388,117)
Net investment in investment property funds	-	(84,489)	-	(28,077)	(68,598)
Acquisition of consolidated companies	(185,663)	-	(185,663)	-	-
Miscellaneous	(24,403)	330	3,946	109	-
Net cash used in investing activities	(2,916,642)	(1,034,905)	(1,082,637)	(585,747)	(1,928,819)
Cash flows - Financing activities					
Proceeds from the Group's issuance of bonds, net	1,924,353	555,078	295,600	-	555,078
Repayment of bonds	(831,766)	(1,299,833)	(248,382)	(434,601)	(1,299,833)
Receipt of long-term loans, net of capital raising expenses paid	1,655,350	1,389,590	697,745	570,747	2,055,653
Repayment of long-term loans	(428,010)	(790,073)	(57,674)	(71,575)	(978,682)
Proceeds from the issuance of shares and options	33,334	319,212	33,334	319,212	1,003,812
Proceeds from the issuance of shares and options to non-controlling interests in consolidated companies	429,583	80,206	389,695	11,623	92,154
Acquisition of shares and options from non-controlling interests in consolidated companies, net	-	(58,961)	-	(40,014)	(58,961)
Increase (decrease) in short-term credit and in utilized credit facilities	489,526	(531,849)	133,863	(251,536)	(548,551)
Dividend paid to Company shareholders	(155,020)	(99,446)	(51,804)	(34,746)	(138,152)
Dividends paid to non-controlling interests in consolidated companies	(330,103)	(381,096)	(97,556)	(96,918)	(472,563)
Net cash provided by financing activities	2,787,247	(817,172)	1,094,821	(27,808)	209,955

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

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Increase (decrease) in cash and cash equivalents	531,950	(1,135,323)	298,319	(324,671)	(654,531)
Cash and cash equivalents at beginning of period	1,524,326	2,197,677	1,740,729	1,370,098	2,197,677
Designated deposit at beginning of period	27,931	3,615	25,224	28,062	3,627
Effect of exchange rates on foreign currency cash balances	(37,575)	17,428	(17,640)	9,908	5,484
Cash and cash equivalents at end of period	2,046,632	1,083,397	2,046,632	1,083,397	1,552,257
Less - Designated deposit at end of period	25,918	42,922	25,918	42,922	27,931
Total cash and cash equivalents	2,020,714	1,040,475	2,020,714	1,040,475	1,524,326

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

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
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 sale	(313,291)	(313,241)	(18,201)	(301,613)	(607,209)
Net profits from changes in holding rate and realization of investments in investees	280,031	(13)	279,953	(1)	(23)
Differences from adjustments, interest and discounting in respect of long-term liabilities and cash balances	398,662	374,230	228,837	200,262	474,223
Loss from fair value adjustment of securities measured at fair value through profit and loss	18,156	38,932	8,303	(23,533)	222,102
Company's share in results of associates, net of dividends and capital reductions received	(31,370)	488,169	4,093	60,876	569,073
Deferred taxes, net	12,525	90,702	1,391	53,356	170,419
Depreciation and amortizations	242,201	161,953	65,264	57,238	200,666
Allocation of benefit in respect of share-based payment	24,024	16,876	11,203	4,240	24,222
Miscellaneous, net	(9,375)	506	(786)	1,484	(1,690)
	621,563	858,114	580,057	52,309	1,051,783
b. Changes in asset and liability items (changes in working capital)					
Decrease (increase) in trade receivables and in other receivables	(78,933)	(85,629)	(43,857)	15,300	(49,116)
Decrease (increase) in current tax assets	(1,376)	(2,145)	(826)	(1,319)	(5,839)
Increase (decrease) in payables and credit balances	27,175	(42,359)	(4,124)	(14,985)	(26,432)
Increase (decrease) in current tax liabilities	(276,297)	15,533	(160,682)	(7,022)	(156,805)
Sale (purchase) of CAP options	(2,914)	1,536	26	17	1,536
	(332,345)	(113,064)	(209,463)	(8,009)	(236,656)

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

	For the nine-month period ended September 30	For the nine-month period ended September 30	For the three-month period ended September 30	For the three-month period ended September 30	For the year ended December 31
	2025	2024	2025	2024	2024
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
c. Non-cash activity					
Increase in provision for evacuation and rehabilitation against systems under construction	8,132	16,549	8,132	16,549	18,796
Exercise of employee options against receivables	3,568	-	3,568	-	12,353
Investment in electricity-generating systems against supplier credit and payables	767,938	321,963	276,489	321,963	855,213
Realization of investment property against receivables	1,000	-	1,000	-	8,250
Increase (decrease) in right-of-use asset against lease liabilities resulting from new lease agreements	94,966	131,433	(4,217)	-	134,076
Investment in property and fixed assets against other payables and credit balances	16,943	16,549	16,943	16,549	61,761
d. Additional information					
Interest paid	510,652	458,877	96,699	139,229	593,261
Interest received	52,230	47,950	21,083	24,266	83,458
Taxes paid	176,179	50,960	41,150	15,482	89,588
Taxes received	17,722	11,739	4,119	647	11,739
Dividends and capital reductions received	26,364	10,412	8,972	-	21,017
E. Company consolidated for the first time - Asset and liability amounts recognized on the date of gaining control - see Note 6b					
Working capital	90,638	-	90,638	-	-
Investment property and investment property in development	5,159,604	-	5,159,604	-	-
Investments in companies accounted for according to the equity method and other assets	452,002	-	452,002	-	-
Loans from banking corporations and financial institutions and other liabilities	(3,433,417)	-	(3,433,417)	-	-
Non-controlling interests	(691,378)	-	(691,378)	-	-
Realization of investment in associate	(1,391,786)	-	(1,391,786)	-	-
Net cash	185,663	-	185,663	-	-

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