

December 22, 2025

Amram Avraham Construction Company Ltd. (the Company)

To:

Israel Securities Authority
www.isa.gov.il

To:

Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Re: Engagement of a Subsidiary in a Framework of Agreements

The company is honored to announce that on December 22, 2025 (the signing date), Amram & Niddam Urban Renewal Ltd., a consolidated company held by the company and by Eli N. Construction and Investments Ltd. (the partner) in equal parts (50% each) (the borrower), entered into a set of agreements with two entities held by a local insurance corporation (the lender), as follows¹: (a) An agreement to extend a credit line in a total amount of NIS 125 million (the financing or loan agreement, as the case may be); (b) An agreement to grant non-tradable warrants exercisable into ordinary shares of NIS 1 par value each of the borrower, in a total amount of NIS 5 million (the warrant grant agreement); and (c) support agreements for four projects of the borrower: Moshe Sharet 41-45, Tirat Carmel; Etsel 32-36, Tirat Carmel; Yael 30 and 43, Nesher; and Dreyfus 49-59, Haifa, with a total scope of approximately NIS 1,550 million (the support agreements), whose main points are as follows:

1.

Main points of the loan agreement

An agreement to extend financial credit up to a total of NIS 125 million (the credit facility), which will be used for repayment of the borrower's debts (up to 80% of the total credit facility) to third parties, and also for the advancement of the borrower's projects (the remaining balance of the credit facility). The credit facility will be provided for a period of 36 months from the signing date (the repayment date); however, the borrower may extend the final repayment date by an additional 24 months (subject to the borrower and the company meeting all of their obligations under the loan documents).

Securities: (a) A first-ranking, unlimited pledge on all rights in the surplus of the projects at Etsel 32-36, Tirat Carmel and Sharet 41-45, Tirat Carmel. (b) Guarantees, jointly and severally, without limitation in amount, by the company, the partner, and the controlling shareholder of the partner (the guarantors). The loan interest will be calculated on the outstanding principal balance of the credit facility and will be at the prime interest rate plus 0.8% (P+0.8%). The financing agreement also includes customary provisions in agreements of this kind, including provisions regarding change in structure and control, whereby the borrower will be required to obtain the lender's prior consent to any decision regarding changes in holdings in the borrower, change of control (as defined in the Securities Law, 1968), changes in issued and paid-up capital, and conversion of the borrower into a public company (as defined in the Companies Law, 1999);² Main conditions precedent for use of the credit line:

Engagement in all support agreements, engagement in the warrant grant agreement, submission of a withdrawal request to the lender under the conditions specified in the loan agreement, no material adverse change in the condition of the borrower, payment of fees and expenses as specified in the financing agreement; as part of the loan agreement, the borrower granted the lender a right of first refusal regarding the provision of financing for the construction of any of the borrower's projects as long as the financing agreement is in effect. Also, the borrower and the company undertook various obligations, including a restriction on the company to make distributions³, an obligation of the company to comply with financial ratios⁴, as well as other usual obligations in such agreements, including grounds for immediate repayment as a result of failure to meet obligations.

1

It is noted that each of the above-described loan agreements (the financing agreement and the four support agreements, together: the agreements), does not constitute a material loan as defined in Securities Authority Staff Legal Position No. 104-15: Credit Event subject to reporting.

2

The company has undertaken that there will be no change of control, or any change in the issued and paid-up share capital (on a fully diluted basis and also not on a fully diluted basis) or in any of the rights attached thereto or in any means of control in the company, in a manner where the controlling shareholders of the company (He Alon and Yoram Amram) hold together less than 30% of the voting rights in the company, and that they will not hold means of control in the company.

3

Which are identical to the distribution restrictions specified in Section 6.3 of the trust deed for the bonds (Series 3) of the company as published by the company on January 12, 2025 (reference no. 2025-01-003594, referenced in this report) (Bonds Series 3).

4

Restrictions on financial ratios are identical to the restrictions specified in Section 6.4 of Bonds Series 3.

2024-06-30

The company within the constraints of distribution and/or in compliance with financial ratios, as well as additional causes as are customary in agreements of this type.

2. Main points of the warrant allocation agreement

As an integral part of the loan terms, the borrower entered into a warrant allocation agreement with the lender, which will be executed upon the occurrence of an Equity Event, if and to the extent it occurs⁵, pursuant to which the borrower will allocate, at no consideration, non-tradable warrants exercisable into ordinary shares of the borrower, each with a nominal value of 1 NIS, with an aggregate package value at the time of the Equity Event of approximately NIS 5 million, and in any case at a rate not exceeding 5% of the issued and paid-up share capital of the borrower at the time of the Equity Event (the warrants and the allocation, as relevant). According to the warrant allocation agreement, the exercise price will equal 110% of the share price at the time of the Equity Event. The warrants will be valid for a total period of 4 years from their allocation date. Additionally, the agreement stipulates that if, as part of the relevant Equity Event, more beneficial economic terms are granted to investors or other buyers, the lender may request that its rights in connection with the warrants be adjusted so that it is entitled to the most beneficial terms granted within the framework of the relevant Equity Event.

3. Main points of the support agreements

In addition to entering into the loan agreement, and as part of the preconditions for the utilization of the credit facility as defined above, the borrower entered into four support agreements with the lender for the construction of the projects: 41-45 Moshe Sharett, Tirat Carmel; 32-36 Etsel, Tirat Carmel; 30 and 43 Yael, Nesher; and 49-59 Dreyfus, Haifa (the projects), with a total scope of approximately NIS 1,550 million, as follows: (2) sale law policy framework totaling approximately NIS 1,250 million, which includes a cash credit facility totaling approximately NIS 335 million; (3) guarantee framework to landowners totaling approximately NIS 284 million; and (4) other liabilities framework totaling approximately NIS 23 million (the support agreements and the total financing scope, as relevant). For the utilization of the frameworks under the support agreements, standard preconditions were established that the borrower undertook to complete within 15-18 months; the borrower undertook to provide equity to the projects in an amount equal to 12.5% of the total construction costs of each project, as well as to meet early sales targets in each project to a scope not less than 15% of the relevant project's total revenue, and a reduction of equity to an amount not less than 10% after meeting sales targets of not less than 20% of the relevant project's total revenue; each of the support agreements will be repaid up to 48 months from the date of building permit receipt, or up to 3 months after occupancy permit approval for the project, whichever is earlier; the amounts to be provided to the borrower under the support agreements will bear annual interest at the prime rate plus 0.3% (P+0.3%). Additional provisions were established as are customary in agreements of this type, including regarding securities, including the provision of guarantees by the company and the company's partner (jointly and severally) to secure the borrower's obligations, immediate repayment events, representations and undertakings of the borrower, etc.

With utmost respect,

Amram Avraham Construction Company Ltd.

Signed by:

Noam Graif, CEO of the company Yosef Shneor Zalman Gonen, CFO

5

For this matter, an Equity Event means the earliest of: (a) an initial public offering (IPO) of the borrower's shares to the public on the Tel Aviv Stock Exchange; (b) allocation or purchase of shares or securities convertible into shares of the borrower (including purchase from shareholders) (hereinafter: Purchase). It is clarified that the aforementioned conditions will apply to the lender for up to 24 months after the final repayment date of the loan. As well as: (c) acquisition of the borrower's shares by third parties who are not related parties to the borrowers' shareholders, in an amount constituting at least 10% of the borrower's pre-money valuation, as determined in such event.