Argo Properties N.V. ("The Company")

Quarterly report as of March 31, 2026

Board of Directors Report on the State of the Corporation's Affairs

The Company's Board of Directors is pleased to submit the Board of Directors report of Argo Properties N.V. (hereinafter: "**The Company**"[1]) for the three-month period ended March 31, 2026 (hereinafter: the "**Reporting Period**"). The financial statements are presented in accordance with international standards, IFRS. All data in this report refer to the consolidated financial statements, unless otherwise stated. The Board of Directors report is prepared in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 (hereinafter: "**Reporting Regulations**"). In this report below: "Report Date" or "Date of the Report" – March 31, 2026. "Date of signing the report" – May 18, 2026.

1. Introduction

1.1 Summary of the Company's Activities

The Company is engaged, through a local team of about 60 people, in the acquisition (the Company has about 5,584 units), improvement and sale of residential buildings in the city centers of Leipzig and Dresden, primarily. Leipzig and Dresden are metropolises of over a million people each, constituting important urban centers characterized by annual growth of 1% - 1.5% in the number of households. In the first stage of the improvement plan, the Company operates to achieve high returns of 15% - 20% on equity through organic rent growth of 8% - 10% per year. In the second stage, the Company sells apartments to end customers at high profitability rates. In addition, current cash flows fund an annual growth of 10% - 15% in the volume of the asset portfolio while maintaining leverage rates below 50%.

1.2 The following are the highlights of business developments and the Company's results for the first quarter of 2026

- **Rental Income** : A 14% increase in income from property rentals in the first quarter of 2026 (compared to the same quarter last year) to approximately €7.7 million as a result of organic growth in rent and property acquisitions. The growth rate in rent per square meter in identical properties totaled approximately 8.5% (in annual terms) in the first quarter of 2026 compared to a rate of approximately 8.0% in the same quarter last year. Rent per sqm in new rentals grew by approximately 4.6% in the first quarter of 2026 compared to the same quarter last year. Rent in new rentals (€13.57 per sqm) reflects an improvement potential of approximately 57% compared to the average rent in the Company's properties (€8.67 per sqm).

- **Sale of Apartments**: In January-April 2026, 49 units were sold for a total consideration of approximately €11.9 million at an average price of approximately €4,377 per sqm. In 2025, 102 units were sold (including registrations[2]) for a total consideration of €25.4 million and at an average price of €4,230 per sqm, compared to 40 apartments sold in 2024 at an average price of approximately €4,171 per sqm. As of the report date, apartments under a binding purchase contract that have not yet been delivered are classified as inventory.

Sale of Apartments	2024	2025	January-April 2026
Total Units	40	102	49
Total Consideration	€ 8,337,421 | € 4,171	€ 25,370,532 | € 4,230	€ 11,853,880 | € 4,377
Premium on acquisition costs[3] and renovation	**63.2%**	**61.9%**	**60.6%**
Premium on book value plus renovation	**38.0%**	**33.7%**	**28.5%**

- **Operating Profit (before changes in fair value)**: An increase of approximately 46% in the current quarter (compared to the same quarter last year) to approximately €6.8 million as a result of rent growth and the contribution to profit from the apartment sales activity.

- **Changes in Fair Value**: The apartment improvement activity, primarily, translated into profits totaling approximately €16.4 million in the first quarter of 2026. The value of the asset portfolio reflects a rental yield of 4.02% and a market rental yield (ERV) of 5.98%. This compares to a profit totaling approximately €13.5 million in the same quarter last year and a rental yield of approximately 4.0% and an ERV yield of 5.9%.

- **Financing Costs**: The average financing cost of the Company in the first quarter of 2026 totaled approximately 2.94% (interest duration 3.11). The average financing cost as of the report's publication date is 2.84% (interest duration 3.1). For further data, see Section 2.5.

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[1] The term Company also refers to directly and indirectly held companies.

[2] Through a memorandum of understanding (which is not legally binding for the completion of the transaction).

[3] Average acquisition cost in the last 12 months.

- **Profitability and Return on Equity :**
  - Profitability - The net profit in the first quarter of 2026 totaled approximately €16.3 million compared to a net profit of approximately €14.2 million in the same quarter last year. The increase in profits stems mainly from the improvement in operating profitability.
  - Return on Equity[4] - In the Company's estimation, the return on equity should be examined on the basis of current net profit, neutralizing current provisions for deferred tax since, according to the Company's business plan, the deferred tax will be paid only at the time of the sale of the apartments and the sales values are expected to be significantly higher than the fair value in the books:

Return on Equity Calculation							
	Q4/2024	**Q1/2025**	**Q2/2025**	**Q3/2025**	**Q4/2025**	**Q1/2026**	**Average for last 4 quarters**
Net profit, excluding provision for deferred tax (€ thousands)	19,076	16,894	12,732	18,382	17,814	18,693	**16,905**
Return on equity, in annual terms	**20.3%**	**17.1%**	**12.3%**	**17.1%**	**15.6%**	**15.9%**	**15.2%**
Change in capitalization rates/yields	No material change	No material change	No material change	No material change	No material change	No material change	**No material change**
Leverage ratio	42.50%	42.60%	42.09%	42.88%	44.35%	44.87%	**43.55%**

The Company has the ability to generate return on equity rates significantly higher than the acceptable cost of capital in its field of activity. The return on equity in the first quarter of 2026 (in annual terms) totals 15.9% and in the last four quarters averages 15.2%.

- **Accounting Equity and Net Asset Value :** As of the report date, the accounting equity attributable to the shareholders of the Company totals approximately €514.8 million (approximately €23.13 per share). The Net Asset Value of the Company, according to the NTA calculation (see Part A, Section 4 below) totaled approximately €547.9 million (approximately €24.61 per share).

- **Financial Strength and Debt Ratios:** As of the report date, the LTV[5] ratio is approximately 44.87%. The Company's rating, as determined by S&P Maalot, is ilA for the Company with a positive outlook and ilA+ rating for the convertible BONDS series (Series 1) and for the loan from More Provident and Pension Ltd (hereinafter and respectively: "More Provident" and "Loan from More").

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Liquidity: As of the date of signing the report, the Company has at its disposal cash balances and restricted deposits totaling approximately €112 million; furthermore, the Company is in various stages of approvals for additional bank financing, and after completion of all asset acquisition engagements entered into by the Company and their financing at 50% LTV, cash balances and restricted deposits are expected to total approximately €88 million.

- **Free Cash Flow (Cash flow from operating activities less financing expenses and CAPEX[6]):**

	In thousands of Euros for the current quarter	In annual terms[7]
Net cash generated from operating activities	15,145	60,580
Financing expenses, net	(3,987)	(15,948)
CAPEX	(4,428)	(17,712)
Free cash flow	**6,730**	**26,920**

In addition, during the reporting period, the Company has a flow totaling €8,676 thousand from refinancing of assets as a result of improvement.

[4] Meaning the regulation of the quarterly profit after deducting the provision for deferred tax to annual terms divided by the equity at the beginning of the quarter.

[5] Net debt (debt less cash and restricted deposits) to total real estate assets.

[6] Does not include CAPEX resulting from planning and realization of building rights.

[7] Meaning the regulation of each of the parameters in the free flow calculation to annual terms.

- Potential profit backlog from apartment sales: According to the Company's estimate, at least 5,297 apartments owned by the Company with an area of 364 thousand sqm are suitable for this activity. The average sales price from this activity (approximately €4,377 per sqm, see Section 2.2 below) less the current book value (approximately €2,746 per sqm) and less the remaining execution cost for sale (between 250 and 350 Euros per sqm) yields a potential profit backlog totaling approximately €484 million[8] for the apartments owned by the Company. **The information described above regarding the profit backlog potential from the R2C activity is "forward-looking information" as the term is defined in the Securities Law, 1968 (hereinafter: "Securities Law"), which is not under the Company's full control and its actual realization, in whole or in part, is not certain. The information is based on information existing in the Company as of the report date, regarding: (1) the number of housing units identified by the Company's management as potential for R2C; (2) the accounting gross profit per sqm that will be recorded for the Company from the sale of apartments; (3) the low ownership rate in the Company's cities of operation relative to the average in German cities; (4) the trend of rising rent and the increase in the rent burden on tenants; (5) management's forecasts regarding the continuation of the trend of rising residential real estate prices in these cities; and also includes additional assessments of the Company.** A change in circumstances, including without derogating from the generality of the foregoing – an increase in the supply of such apartments, a decrease in average selling price per sqm, an increase in interest rates and a reduction in credit sources, partial sale of apartments in a condo building (in a way that may lead to additional expenses and even a burden on the ability to sell them at a profit over time), the occurrence of special conditions in the circumstances and/or the occurrence of one or more of the risk factors detailed in Section 1.19 in Chapter A ("Description of the Corporation's Business") within the 2025 periodic report may significantly change the Company's estimates detailed above and materially affect the profitability expectations from this activity.

- Book value vs. construction cost: The high gap between the construction cost (€5,150 per sqm[9] excluding entrepreneurial profit and assuming the land component is 25% of development costs; approximately €6,000 per sqm including entrepreneurial profit) and the book value of the real estate (approximately €2,746 per sqm) combined with excess demand for housing in Leipzig and Dresden will, in the opinion of the Company's management, provide a tailwind for price increases in the medium-long term.

- New transactions: During the first quarter of 2026, the Company signed transactions for the acquisition of residential assets (including exclusivity agreements) in the amount of €59.5 million, and completed transactions in the amount of €26.1 million, compared to the execution of new transactions in the amount of €36.5 million and completion of new transactions in the amount of €22.1 million in the same period last year, as well as to new transactions in the amount of €155 million and completion of transactions in the amount of €81.2 million in all of 2025. The Company expects a continued significant increase in the volume of transactions for the acquisition of new assets in 2026 compared to the volumes in 2025.

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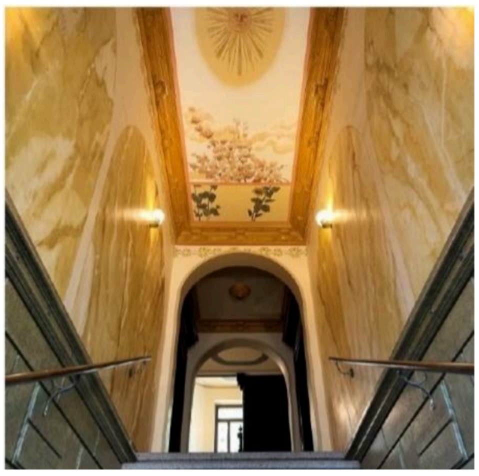
[8] For the purpose of calculating the potential profit backlog, a remaining execution cost for sale of 300 Euros per sqm was taken, which constitutes the middle of the range between 250 and 350 Euros per sqm.

[9] See investor presentation of Vonovia for the first quarter of 2025 published in May 2025.

Company Assets





Brief Description of the Corporation and its Business Environment 2

2.1 Residential Assets

As of March 31, 2026, the company owns 454 residential buildings including 4,650 units (97% residential) with a leasable area of approximately 317.7 thousand sqm (plus 915 parking spaces) generating an annual rent (assuming full occupancy) of approximately 36.2 million EUR. The book value of this asset portfolio totals approximately 901.4 million EUR. Additionally, as of April 30, 2026, approximately 934 units are in the acquisition stages, of which approximately 574 are under purchase agreements and approximately 360 are under exclusivity agreements.

Below is a geographical breakdown of the company's residential rental assets:

Residential Rental Assets (as of April 30, 2026)[10]

City	No. of Units	Rental Area (sqm)	Annual Rent[11] (in thousands EUR)	Avg Rent per sqm per month[12]	Rental Yield[13]	Book Value per sqm[14]	Annual Rent Market Prices[15] (in thousands EUR)	Market Rent per sqm	Market Rental Yield[16]	Rent Increase Potential	Company Occupancy Rate
Assets under ownership as of March 31, 2026											
Leipzig	2,603	177,181	20,067	8.87	3.95%	2,867	29,720	13.90	5.85%	57%	93%
Dresden	1,432	98,628	11,618	9.32	3.92%	3,009	16,523	13.82	5.57%	48%	96%
Magdeburg	526	36,885	4,022	8.60	4.92%	2,219	4,915	10.77	6.01%	25%	94%
Hannover	89	4,967	528	8.46	3.53%	3,014	821	13.65	5.48%	61%	97%
Total	**4,650**	**317,661**	**36,235**	**8.92**	**4.02%**	**2,838**	**51,979**	**13.51**	**5.77%**	**51%**	**94%**
Assets in acquisition process as of April 30, 2026											
Leipzig	487	34,682	3,162	7.34	3.95%	2,310	5,784	13.90	7.22%	89%	99%
Dresden	447	30,614	2,883	7.61	4.11%	2,293	5,113	13.86	7.28%	82%	99%
Magdeburg											
Hannover											
Total	**934**	**65,296**	**6,046**	**7.47**	**4.02%**	**2,302**	**10,897**	**13.88**	**7.25%**	**86%**	**99%**
Total Assets as of April 30, 2026											
Leipzig	3,090	211,863	23,229	8.61	3.95%	2,775	35,504	13.90	6.04%	61%	94%
Dresden	1,879	129,242	14,501	8.90	3.95%	2,839	21,636	13.83	5.90%	55%	96%
Magdeburg	526	36,885	4,022	8.60	4.92%	2,219	4,915	10.77	6.01%	25%	94%
Hannover	89	4,967	528	8.46	3.53%	3,014	821	13.65	5.48%	61%	97%
Total	**5,584**	**382,957**	**42,281**	**8.67**	**4.02%**	**2,746**	**62,875**	**13.57**	**5.98%**	**57%**	**95%**

The company clarifies that the data presented in the table above are not audited by the company's auditing accountants.

Property Characteristics:

Location - In established and central residential neighborhoods in the cities of Leipzig, Dresden, Magdeburg, and Hannover (all federal capital cities / the largest city in the federal state) near public transportation, educational institutions, and shopping centers. All company assets are intended for the middle-upper class. The company has no properties in peripheral locations/satellite cities/neighborhoods characterized by low socio-economic status.

Physical Condition - Most of the properties are buildings for preservation that have undergone comprehensive renovation (apartments, facades, stairwells, replacement of electrical, heating and plumbing infrastructure, roofs, basements). The remaining buildings were built in modern architecture.

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[10] Includes assets under notarial purchase contracts (legally binding) and assets under exclusivity agreements (completion of the transaction is not legally required).

[11] Annual rent from 12 months of activity based on actual lease contracts and assuming full occupancy (assuming vacant areas will be leased at the average rent per sqm in existing contracts as of March 31, 2026).

[12] Average rent per sqm in existing contracts in company assets in the same city for residential areas.

[13] Annual rent divided by the book value of assets. For assets whose acquisition was completed after the balance sheet date, the total expected acquisition cost was taken as the book value.

[14] Book value at the report date divided by the leasable area. For assets whose acquisition was/will be completed after the report date, the book value equals the total expected acquisition cost.

[15] Expected annual rent assuming properties are leased at full occupancy according to market rent prices. Market rent prices were mostly calculated based on actual leasing performed by the company during the first quarter of 2026 and partly based on market information in the company's possession.

[16] Annual rent according to market prices divided by the book value of assets. For assets whose acquisition was/will be completed after the balance sheet date, the total expected acquisition cost was taken as the book value.

Significant potential for rent increase - all buildings, without exception, are subject only to general regulation on rent increases established by law[17] and are not subject to specific rent restrictions. The current rent level in the properties reflects a rent increase potential of approximately 57%, based on new leases the company is performing.

Below is a detail of rent in new leases compared to rent in company properties in the company's operating cities as of the report date:

City	No. of Units[18]	Avg Rent per sqm in Company Properties as of March 31, 2026	Avg Rent per sqm in New Leases in Q1 2025	Avg Rent[19] per sqm in New Leases in Q1 2026	Rent Increase Potential as of March 31, 2026	Percentage of Units Leased in New Contracts (out of avg owned units) from January 1, 2020 to March 31, 2026
Leipzig	3,090	€ 8.61	€ 13.39	€ 13.90	61%	54%
Dresden	1,879	€ 8.90	€ 13.33	€ 13.83	55%	61%
Magdeburg	526	€ 8.60	€ 9.95	€ 10.77	25%	102%
Hannover	89	€ 8.46	€ 13.53	€ 13.65	61%	9%
Total	**5,584**	**€ 8.67**	**€ 12.97**	**€ 13.57**	**57%**	**61%**

Below is the evolution of rent in new leases (ERV) and rental income growth in identical assets across quarters:

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	April 2026
No. of New Leases	151	130	104	95	86	148	124	171	50
Avg Rent[17] per sqm in New Leases	€ 12.15	€ 12.46	€ 12.75	€ 12.97	€ 13.12	€ 13.30	€ 13.35	€ 13.57	€ 13.57
L-F-L Rent per sqm Growth Rate (annual terms)	9.8%	9.1%	8.9%	8.0%	8.1%	8.1%	8.9%	8.5%	NR

L-F-L Rent Growth: The growth rate in rent per sqm in identical properties totaled approximately 8.5% in annual terms in the first quarter of 2026.

Rent Growth in New Leases (ERV): During the first quarter of 2026, there was an improvement of approximately 4.6% in the average rent per sqm in new leases performed by the company in its properties (ERV) in annual terms (Q1/2026 vs. Q1/2025).

Below is a detail regarding the cumulative appreciation performed in rental income in residential rental assets owned by the company for more than two years and the remaining appreciation potential (rent data is presented in thousands of EUR in annual values):

Assets Acquired in Year	Rent at Acquisition	Rent as of March 31, 2026	Cumulative Change Rate*	Annual Change Rate*	Rent at Market Prices at Full Occupancy[20]	Remaining Appreciation Potential[21]	Total Improvement Potential vs Acquisition
Assets acquired in 2018[22]	2,187	3,729	70%	8.5%	5,293	42%	142%
Assets acquired in 2019	2,700	4,112	52%	7.2%	6,285	53%	133%
Assets acquired in 2020	2,336	3,634	56%	8.9%	5,521	52%	136%
Assets acquired in 2021	3,701	5,364	45%	8.6%	8,228	53%	122%
Assets acquired in 2022	3,941	5,438	38%	8.9%	8,760	61%	122%
Assets acquired in 2023	2,503	3,057	22%	6.8%	5,006	66%	102%
Assets acquired in Q1 2024	260	330	27%	12%	544	65%	109%
Total	**17,628**	**25,664**	**46%**	**8.27%**	**39,637**	**54%**	**154%**

[17] It should be noted that in July 2022 the Government of Saxony (whose capital is Dresden and its largest city is Leipzig) applied the Mietpreisbremse legislation (restricting rent in new contracts to 10% above comparative rent). For detail and extension on this matter as well as the general regulation on residential rent increases applicable by virtue of German law - see section 1.7.1.8.1 in the Description of the Corporation's Business chapter in the company's Periodic report for 2025 (which was published on March 12, 2026, reference no. 2026-01-022093) (hereinafter: "Periodic report 2025").

[18] Includes assets under notarial contracts (legally binding) where ownership transfer of the subject assets has not yet been completed, and assets under exclusivity agreements (completion of the transaction is not legally binding) as of the report's signing date.

[19] Weighted by their proportion of total apartments (relative to apartment type/size, district, and city).

[20] Expected annual rent assuming properties are leased at full occupancy according to market rent prices. Market rent prices were mostly calculated based on new leases performed by the company during the first quarter of 2026 and partly based on market information in the company's possession.

[21] The gap between rent according to market prices and current rent.

[22] Excluding assets in redevelopment process.

* For simplicity, change rates were calculated under the conservative assumption that assets were acquired at the beginning of the calendar year; for illustration, the change rate in rental income for assets acquired in 2018 was calculated as follows: the cumulative change rate was divided by 8.25 years.

2.2 Apartment sales after conversion from rental apartments to apartments for sale (R2C):

Actual Sales

- In the period from January 1, 2026, to April 30, 2026, 49 units were sold (including registrations[23]) for a total cash amount of 11.9 million EUR and at an average price of 4,377 EUR per sqm compared to 102 units (including registrations) sold in 2025 at an average price of approximately 4,230 EUR per sqm.

Below is a detail of sales data to date, based on signed contracts (including registration agreements):

The company estimates that the price adjustment process in the German residential market is far from exhausted and therefore directs proceeds from apartment sales toward the acquisition of new properties that are leased at low rent and are suitable for the two stages of appreciation mentioned above.

Below are the calculations of the economic and accounting premium: Sale price versus acquisition costs[24] and book value, plus renovation costs:

Apartment Sales – Accounting Premium Calculation	2024		2025		January – April 2026		Comments
	Total in thousands EUR	Per sqm in EUR	Total in thousands EUR	Per sqm in EUR	Total in thousands EUR	Per sqm in EUR	
Total Units	40		102		49		
Total Proceeds	8,337	4,171	25,371	4,230	11,772	4,377	
IFRS Cost (Book Value)	5,897	2,950	18,074	3,014	8,840	3,287	Following the appreciation of approximately 33% in aggregate rent since the property acquisition date, Argo's portfolio IFRS value is approximately 29% higher than their acquisition cost
Remaining CAPEX implementation costs for sale	145	72	900	150	324	120	
Total Accounting Cost	6,042	3,023	18,973	3,164	9,164	3,407	
Premium over Book Value plus Renovation	**38.0%**		**33.7%**		**28.5%**		

Apartment Sales – Economic Premium Calculation	2024		2025		January – April 2026		Comments
	Total in thousands EUR	Per sqm in EUR	Total in thousands EUR	Per sqm in EUR	Total in thousands EUR	Per sqm in EUR	
Total Units	40		102		49		
Total Proceeds	8,337	4,171	25,371	4,230	11,772	4,377	
Acquisition cost of new assets ("replacement")	4,410	2,206	13,568	2,262	6,472	2,406	Proceeds from apartment sales are invested in the acquisition of new properties leased at an average rent of only about 7 EUR per sqm. The sale proceeds are approximately 61% higher than the acquisition cost of these properties, including remaining implementation costs
Implementation cost (CAPEX for sale standard) – 350-405 EUR per sqm	700	350	2,099	350	857	318	
Total Economic Cost	5,110	2,556	15,667	2,612	7,329	2,725	
Premium over Acquisition Cost and Renovation	**63.2%**		**61.9%**		**60.6%**		

- In order to avoid impacting its ongoing rental income, the company strives to sell occupied apartments or apartments that have become vacant as part of the ongoing tenant turnover process. This model does not require the commitment of additional equity or impact cash flow before the apartment delivery date.

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[23] Via memorandum of understanding (which is not legally binding for transaction completion).

[24] Average acquisition cost in the last 12 months

- Simultaneously, the Company intends to direct the sale proceeds to purchase assets that were not optimally managed by their owners (private sellers) yielding significantly lower rent than the average rent in all the Company's assets. Consequently, the Company estimates that the purchase prices of the new assets are expected to be lower than the average book value of the current asset portfolio. The new assets are also intended for improvement, parcelization, and sale of apartments in the future.

In the Company's estimation, the cash flows that will arise from the sale of apartments will allow the Company to purchase new apartments at a ratio of 2:1, meaning the realization of 100 improved apartments will provide the equity required to purchase 200 new apartments intended for improvement (in accordance with the average acquisition cost of assets purchased by the Company in the last twelve months and under a leverage assumption of 50%).

2.3 Regulation and Legal Status

The process of selling apartments involves planning procedures, registration of a condominium in the Land Registry, renovation, marketing, and sale.

- For tenants residing in the property at the time of registration as a condominium, rights are granted such as:

(A) Protection from eviction[25] - if the apartment was not yet registered as a separate unit in a condominium (parcelization) at the time the lease agreement was signed, the tenant has protection from eviction when selling the apartment to a buyer interested in the apartment for self-use, for a period of 3 years from the date of sale (in areas under restrictions imposed by the local authority due to excess demand and concern about Gentrification – the period may be extended up to 10 years; it should be emphasized that as of the report date, the Company has no housing units subject to tenant protection against eviction when selling the apartment for a period exceeding 3 years);

(B) Right of first refusal – the tenant has a right of first refusal for the purchase of the apartment (Pre-emptive rights) when selling the apartment to a third party.

Out of 5,297 units identified by the Company's management as potential for R2C -

(1) 1,082 units were already legally registered in the Land Registry as separate units in a condominium (condo) at the time the tenants entered them, and therefore the existing tenants have no protection from eviction when selling the apartment as a condo unit.

(2) 1,054 units were registered in a condominium from the beginning of 2020 until March 31, 2026, and therefore the existing tenants have protection from eviction for 3 years from the date of selling the apartment to a third party; however, if the tenant changes and a new tenant enters the said apartments, the protection from eviction upon sale no longer applies.

(3) 1,983 units are currently in the process of parcelization and registration as a condominium. Upon completion of the registration process, the existing tenants will have protection from eviction for 3 years from the date of selling the apartments to a third party; however, if the tenant changes and a new tenant enters the said apartments after the completion of the parcelization, the protection from eviction upon sale will no longer apply.

(4) Regarding the remaining 1,178 units, the Company will act to implement the parcelization and registration process as a condominium on an ongoing basis.

The locations of all potential units for R2C as of the report date are in areas not subject to parcelization and condominium registration restrictions by the local authority, such that the tenant eviction restriction upon sale to a third party stands by law at 3 years only for a tenant living in the apartment during the aforementioned parcelization process (a tenant who entered the apartment after the completion of the parcelization is not eligible for the said protection).

Below are further details regarding the distribution of this potential between the operating cities:

Potential for R2C				
Total	**Magdeburg**	**Dresden**	**Leipzig**	
363,949	33,960	126,562	203,427	**Rental area (sqm)**
522	41	189	292	**No. of buildings**
5,297	484	1,841	2,972	**No. of units**
10.1	11.8	9.7	10.2	**No. of units per building**
95%	93%	100%	98%	**% of total housing units**

The information described in this section above regarding R2C potential is "forward-looking information" as defined in the Securities Law, which is not under the Company's full control and its actual realization, in whole or in part, is not certain. The information is based on information existing in the Company as of the report date, regarding: (1) the low ownership rate in the Company's operating cities relative to the average in German cities; (2) the trend of rising rents and the increase in rent burden on tenants; (3) the Company's management forecasts regarding the continuation of the rising real estate price trend for residential properties in these cities; and also includes additional estimates by the Company.

A change in circumstances, including without derogating from the generality of the foregoing – an increase in the supply of such apartments, an increase in interest rates and reduction of credit sources, partial sale of apartments in a condo building (in a way that may lead to additional expenses and even burden the ability to sell them at a profit over time), the creation of special conditions in the circumstances of the case and/or the occurrence of one or more of the risk factors detailed in Section 1.19 in Part A ("Description of the Corporation's Business") within the 2025 Periodic report, may significantly change the Company's estimates detailed above and materially affect the profitability outlook from this activity.

[25] According to German law, someone who purchases an apartment for their own use is entitled to terminate the lease agreement with the existing tenant in that apartment and evict them with 3 months' notice, provided the apartment was already registered in the Land Registry as a separate unit in a condominium before the tenant entered the apartment.

Income-producing property for development[26] 2.4

The Company has a land complex with an area of approximately 11.8 dunams located in a central location in the Friedrichshain/Prenzlauer Berg district in the city of Berlin in an area of mixed uses for commerce and residential and enjoys excellent transportation accessibility and proximity to commercial areas and parks. In the complex there are three buildings with a rental area of approximately 3,600 sqm currently mostly leased to commercial tenants and land with an area of approximately 7.8 dunams used as open parking.

The Company is in planning stages for converting the existing buildings and adding areas by utilizing an existing mezzanine floor that is currently unused for office use, such that the rental area after conversion is expected to grow to approximately 6k net sqm for lease.

Simultaneously, the Company is acting to promote a new plan with the local authority aimed at allowing the vacation (instead of parking use) of residential buildings with a total area of approximately 18,310 gross sqm and approximately 14,650 net sqm.

During the second half of 2025, the Berlin Municipality promoted legislation allowing the approval of building permits also in lands where there is no approved TBP for the requested use, if the project is of importance to the city (the "Bau Turbo Law" approved by the Senate at the end of October 2025). Simultaneously, the Company received the support and approval of various planning authorities, both at the Berlin Municipality level and the district municipality level, to promote a plan and submit a building permit for a residential construction project, which will be approved in accordance with the Bau Turbo legislation due to the Berlin Municipality's need to increase the housing supply in the city.

At the end of February 2026, the final plans for the said residential project were presented to the planning authorities responsible for promoting projects under the Bau Turbo Law in the Berlin Municipality and to the chief architect in the district municipality.

Consequently, on March 5, 2026, the Company submitted a request for a preliminary building permit[27] for a residential project with a scope of approximately 18,310 gross sqm (approximately 14,650 net sqm for sale/lease) in several buildings of 4 to 9 floors along with an underground parking floor for approximately 200 parking spaces.

It should be emphasized that since the land is part of a preservation site and therefore subject to supervision and approvals of the building conservation department and given the project's complexity, there is high uncertainty regarding the scope of building rights that will be actually approved and furthermore material changes to the current concept may occur.

The buildings currently yield an annual rent of approximately 490k EUR, and as of March 31, 2026, the value of the complex as a whole is approximately 31.6M EUR, of which 19.2M EUR is associated with the value of the existing buildings (and the building rights in the mezzanine floor) based, among other things, on a discount rate of 4.50% and representative rent of 28 EUR per sqm. The value attributed to the land used as parking and intended for residential development is approximately 12.4M EUR.

Financing of assets 2.5

The Company acts consistently to maximize the risk-return profile for its shareholders through, among other things, optimization of the capital/debt structure, both at the asset corporation level (subsidiaries) in non-recourse loans to the Company and at the Company solo level.

	Balance as of report date in thousands of EUR	Weighted interest rate (nominal)	Interest fixation duration (years)	Duration (years)
Loans from German corporations	370,967	2.82%	2.2	7.9
Loan from More	90,089	4.58%[28]	5.8	13.8
Convertible BONDS	56,739	1.15%	4.8	4.8
Total	**517,795**	**2.94%**	**3.11**	**8.58**

- Convertible BONDS – For details regarding private allocations of BONDS (Series 1) in April 2026 by way of expansion of the existing series, see Section 3.2 below.

[26] The information described in connection with the Company's improvement project is forward-looking information that is not under the Company's full control and the actual realization of such change of designation, in whole or in part, is not certain. It should be noted that the Company has not yet made a decision regarding the development of any of the said land complexes and has not yet made a decision on the usage of the land parcel at Eldenaer 42-43, including the development of the land complex and/or the usage designation (offices or residential). The decision to develop any of the said land complexes is subject to the completion of the relevant plan approval procedures, market conditions prevailing at the time of plan completion, the ability to obtain financing for project development, availability of capital resources required to implement such a development plan, compliance with financial ratios, etc. There is no certainty regarding the improvement being carried out and/or decided upon, if at all, as its completion is subject to the planning and construction processes required by German law, the completion of which is not under the Company's control.

[27] A preliminary building permit is a building permit given in lands where there is no existing TBP regulating the scope of building rights and the uses requested for development in the project, and within its framework, approval is given for the requested scope of building rights for the project, the number of floors and building heights, building lines, density, parking arrangements, etc. After receiving approval for a preliminary building permit, a detailed building permit application must be submitted including floor plans and detailed apartment plans, detailed planning and design of the building facades, planning of green areas, detailed planning of the parking floor, along with electricity, plumbing, sewage plans, and other infrastructure connections.

[28] Weighted with the interest component in hedging transactions.

2.6 Operating Environment

See Section 1.6 in Part A ('Description of the Corporation's Business') of the 2025 Periodic report.

3 Material and Other Events During the Report Period and Thereafter

3.1 Purchase of residential assets – From the beginning of 2026 until the report date, the Company completed the purchase of assets and entered into agreements to purchase 908 units in 85 individual buildings located in the cities of Leipzig, Dresden, Magdeburg, and Hannover

The Company, on an ongoing basis, examines and purchases individual buildings in the cities of Leipzig, Dresden, Magdeburg, and Hannover. The acquisition process consists of: Desktop analysis, site visit and technical due diligence, signing an exclusivity agreement, due diligence and legal preparation, signing a notarial agreement, and closing the deal.

Below is the distribution of assets by transaction status:

Acquisitions of residential rental assets starting from January 1, 2026, until March 31, 2026						
City	No. of assets	No. of units	Rental area (sqm)	Annual rent at full occupancy	Total acquisition costs	
Leipzig	7	86	6,169	€ 14,472,869	€ 607,702	Transactions completed as of 31.3.2026
Dresden	7	74	4,962	€ 11,626,237	€ 466,492	
Magdeburg	0	0	0	€ 0	€ 0	
Hannover	0	0	0	€ 0	€ 0	
Total	**14**	**160**	**11,130**	**€ 26,099,106**	**€ 1,074,194**	
Leipzig	32	347	25,267	€ 59,027,575	€ 2,295,391	Transactions in purchase process as of 31.3.2026
Dresden	39	401	27,513	€ 63,089,375	€ 2,597,323	
Magdeburg	0	0	0	€ 0	€ 0	
Hannover	0	0	0	€ 0	€ 0	
Total	**71**	**748**	**52,779**	**€ 122,116,950**	**€ 4,892,714**	
Total	**85**	**908**	**63,910**	**€ 148,216,056**	**€ 5,966,908**	

During the first quarter of 2026, the Company completed the purchase of 160 units in a financial scope of 26.1 million EUR (including transaction costs; including transactions for which exclusivity agreements were signed during the last quarter of 2025), yielding annual rent in the amount of approximately 1.1 million EUR. As of the report date, the Company is in the process of purchasing (notarial agreements and exclusivity agreements) of 748 units in a financial scope of approximately 122.1 million EUR (including transaction costs), yielding annual rent in the amount of approximately 4.9 million EUR. During the period from April 1, 2026, until 30.4.2026, the Company entered, through wholly owned subsidiaries, into exclusivity agreements with third parties not related to the Company and/or its shareholders, for the purchase of 10 buildings including 66 units in the city of Leipzig, and 27 units in the city of Dresden with a total rental area of approximately 7,211 sqm and yielding annual rent of approximately 659 thousand EUR. The total consideration for these assets (including transaction costs), subject to the signing of a notarial purchase agreement and completion of the transaction, is expected to total approximately 16.3 million EUR.

Bank financing agreements:

(A) **Refinancing as a result of asset improvement –**

During the course of 2026, the Company entered, through subsidiaries, with German banking corporations into loan agreements in cumulative amounts of 76.7M EUR for refinancing of loans in a cumulative amount of approximately 57M EUR. The refinancing is made possible due to the improvement of the assets used as collateral for these loans. The new loans will be granted for periods of between 5 to 7 years, some at a variable interest rate and some at a fixed interest rate at margins of between 1.25% to 1.6%. As of the report date, the withdrawal of loans in the total of approximately 32.5M EUR for refinancing of loans in the total of 22.7M EUR has been completed; this financing was done with the same financing entity. Additionally, the Company is in advanced negotiations with local banking corporations regarding the refinancing of loans whose original maturity date was set for the coming year, such that for all the balance presented as current maturities in the consolidated reports of the Company as of the report date, the Company has agreements in various stages regarding refinancing.

(b) <u>Financing the purchase of new assets-</u>

As of the date of signing the report, the company, through subsidiaries, has binding agreements with German banking corporations for a total volume of approximately EUR 21.0 million for the purpose of financing the purchase of new assets whose cost is expected to total approximately EUR 35 million. The loans will be provided for a period of 5 years and will bear fixed interest at a rate of between 3.83% and 3.95%. A withdrawal of EUR 16.9 million was made in February 2026, the withdrawal of the remaining amount is expected upon completion of the purchase of assets in the amount of approximately EUR 14.6 million, which is expected during the second quarter of 2026.

3.2 <u>Public offering and private placements of convertible BONDS (Series 1)</u>

During the month of October 2025, the Company issued to the public NIS 200,000,000 par value convertible BONDS (Series 1) through a shelf offering report dated October 28, 2025 [reference no. 2025-01-081006] (hereinafter: "10/25 Offering Report"), published by virtue of the Company's shelf prospectus published on May 20, 2024, dated May 21, 2024 [reference no. 2024-01-049141] (hereinafter: "the Shelf Prospectus").

The BONDS, which are due for repayment in one (1) payment to occur on December 31, 2030, and which will constitute 100% of the total par value of the BONDS, are convertible on any day on which trading takes place on the TASE (and until December 21, 2030), where every NIS 160 par value of the BONDS can be converted into one ordinary share of the Company. The BONDS (Series 1) bear annual interest at a rate of 2%, which is paid twice a year, on June 30 of each of the years 2026 to 2030 (inclusive) and on December 31 of each of the years 2026 to 2030 (inclusive) starting from June 30, 2026. The Company shall be entitled, at any time from the end of 30 trading days from the date of their registration for trading of the BONDS and until December 21, 2030 (inclusive), at its sole discretion, to require the holders of the BONDS (Series 1) to perform a full forced conversion of the outstanding principal of the BONDS (Series 1) into ordinary shares of the Company. A condition for the forced conversion as mentioned above is that the average price of the Company's share on the TASE during the last 30 trading days prior to giving the notice regarding the execution of the forced conversion is at least NIS 195.

It should be noted that the unit price (which included NIS 1,000 par value BONDS (Series 1)) in the public tender in this offering, which took place on October 29, 2025, was set at NIS 1,041 per unit. The gross proceeds that the Company received for the 200,000,000 BONDS (Series 1), which were allocated on October 30, 2025 according to the 10/25 Offering Report, is NIS 208,200 thousand.

On April 19, 2026, the Company's board of directors approved private placements, including a material private placement to classified investors, including corporations from the Harel Insurance Investments and Financial Services Ltd. group[29], the Migdal Insurance and Financial Holdings Ltd. group[30] and the Phoenix Financial Ltd. group[31], which are interested parties in the Company ("Harel", "Migdal", "The Phoenix", "The Offerees" and "The Private Placements", respectively)[32] of a total of NIS 110,000,000 par value BONDS (Series 1) of the Company which were first issued to the public according to the 10/25 Offering Report.

On April 27, 2026 – after receiving the approval of the Tel-Aviv Stock Exchange Ltd. for the listing for trading of the allocated BONDS and of the shares that will result from the conversion of the allocated BONDS, as far as they are converted - the Company allocated to classified investors (including Harel, Migdal, and The Phoenix, which are interested parties in the Company as mentioned) 110,000,000 BONDS (Series 1) in exchange for a total of 105 agorot for every NIS 1 par value BOND (Series 1) and for a total consideration of NIS 115,500,000. After the execution of the private placements as mentioned and as of the date of publication of the report, the amount of BONDS (Series 1) which are listed for trading totals NIS 310,000,000 par value BONDS (Series 1). For further details regarding the private placements, see immediate reports from April 20, 2026 and April 27, 2026 [reference nos. 2026-01-036383 and 2026-01-038352, respectively] the information included in which is brought in this report by way of reference.

3.3 <u>Changes in the Company's Management</u>

On January 30, 2026, Mr. Ophir Rahamim (serving as Joint CEO in the Company) notified the Company's board of directors of the termination of his tenure as Joint CEO in the Company effective July 29, 2026 (hereinafter: "the Notice") for personal reasons not related to the Company's business. Within the framework of the notice, Rahamim gave the Company an option to extend - at its sole discretion - his employment with the Company for a period not exceeding an additional 90 days (i.e., until no later than October 27, 2026). It should be noted that in accordance with the terms of his employment, Mr. Rahamim is entitled to a retirement grant upon the termination of his work in the Company in the amount of 6 months' salary (approximately NIS 660 thousand). For further details, see an immediate report dated February 2, 2026 [reference no. 2026-01-011504] the information included in which is brought in this report by way of reference.

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[29] "Israeli Stock Basket" partnership. The partnership is a registered partnership in which all the rights holders are companies from an institutional reporting group of the Harel Group.

[30] "Migdal Basket – Israeli Corporate BONDS" partnership. The partnership is a registered partnership in which all the rights holders are companies of an institutional reporting group of the Migdal Group.

[31] The Phoenix Insurance Company Ltd.

[32] The offerees in the private placements are classified investors, each of whom declared that it is a corporation belonging to one of the entities listed in the definition of "classified investor" as defined in Section 1 of the Securities Regulations (Manner of Offering Securities to the Public), 5767-2007 and that it fulfills the conditions listed in the First Schedule to the Securities Law, 5728-1968

Macroeconomic Environment – Possible Effects on the Company's Business

After the rise in interest rates and yields as a result of the 'post-corona' effect, these parameters have stabilized in the last two years, with the yield on 10-year German government bonds being approximately 3% as of the beginning of May 2026 and the yield on 5-year inflation-indexed German government bonds standing at approximately 0.62%. As of the date of the report, the yield on ten-year German government bonds rose to its highest level since 2011, among other things, due to the expectation of an increase in inflation due to the war in Iran.

In the Company's estimation, the structural gaps between the high demand and the limited supply of quality housing in the city centers where the Company operates will support the continuation of the rent growth trend and higher residential real estate prices in the medium/long term.

The demand for residential rentals in Germany (where about 50% of households live in rentals and particularly in Leipzig and Dresden where about 85% of households live in rentals) is rigid and stable over time. This conclusion is also strengthened in light of the fact that the rent burden (the cost of rent out of the household's disposable income) in Leipzig and Dresden stands at less than 20%, a significantly lower rate than is customary in other major cities in Western Europe in general and in Germany in particular.

In the Company's estimation, in the medium-long term, the demand for residential apartments in the cities of the Company's activity is expected to grow as a result of the following factors:

(1) **Strong urbanization trend** - which pushes strong populations with high earning capacity into the centers of the cities where the Company operates. By 2030, close to 80% of Germany's population will live in urban areas according to the United Nations Population Division[33]. The population in Leipzig and Dresden is expected to grow by about 14% and 10% respectively by 2030[34]. In addition, significant new investments in infrastructure and logistics in Leipzig and infrastructure and the semiconductor industry in Dresden are expected (an investment of approximately EUR 3.5 billion in a TSMC chip factory) which were announced in the last two years, are expected to lead to an increase in the migration of a strong population to the centers of the operational cities.

(2) **Labor migration** - The head of the Federal Labor Office in Germany stated during 2023 that **in order to maintain the current level of GDP output, Germany must "import" 400,000 professional workers every year for the next 10 years** due to the aging of the German workforce[35]. To this end, the office is promoting a reform in the immigration laws to Germany that will facilitate the entry of skilled labor pools - hundreds of thousands of immigrants with free professions/academic education who will concentrate in the large cities. In 2022, migration from Ukraine contributed to a growth of 1.1 million in the number of residents in Germany[36]. The previous wave of migration from Southern European countries to Germany that began in 2010 (due to the debt crisis in Greece/Italy/Spain) brought a continuous wave of strong price increases in residential real estate prices in Germany[37].

(3) Condo apartments and individual residential buildings in central locations constitute one of the main real investment channels for households in Germany, which also enjoy significant tax benefits for investment in these properties

(a) Condo apartments as a real investment product that maintains its value during inflationary periods—
The structural excess demand compared to the slowing supply for residential condo apartments for the upper deciles in high-quality buildings and in central locations, "creates", in the Company's estimation, an investment asset that is in a continuous and growing shortage, and as such has a high potential for Long term capital appreciation beyond the inflation rate.

(b) Tax benefits encourage shifting funds to investment in residential apartments—
In Germany, investment in residential apartments entitles to a capital gains exemption on sale after 10 years compared to a 25% tax on other capital gains. This tax benefit encourages a significant portion of households to shift part of their savings to investment in residential apartments.

(c) A margin of about 3.4% between the residential real estate yield and the inflation-linked German government bond yield
Despite the increase in the inflation rate and despite an increase of about 300 basis points in the nominal 10-year government bond yield since the beginning of 2022, the 5-year real interest rate is at a rate of 0.62%. As a result, the margin between the yield on residential real estate (owned by the Company) and the yield on index-linked government bonds stands at about 3.4%.

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[33] World Urbanization Prospects - Population Division - United Nations

[34] Source: Bertelsmann population report, Morgan Stanley Research, German residential chartbook January 24, 2023

[35] Serious Absence of Skilled Workers in Germany - 400,000 Employees Required to Cover Labour Demands Annually

[36] Based on Morgan Stanley research from January 23, 2024

[37] Source: DeStatis, Eurostat, Morgan Stanley Research, German residential chartbook January 24, 2023

Conversely, in the Company's estimation, structural failures delay market forces from catching up with demand and cause a structural gap (which is widening) between demand and supply:

(1) **Cumulative "historical" shortage in the supply of residential apartments in city centers** - Low volumes of residential construction in the centers of major cities in Germany in the last 15 years as a result of the prolongation of planning procedures, an acute shortage of land designated for residential use in attractive locations and restrictions on high-rise construction, led to the creation of a "deficit" and a growing shortage of 830 thousand units in demand. A study recently published by the German Property Federation[38] shows that as of the end of 2024, the deficit is expected to reach a shortage of about 600 thousand new units in all of Germany and it is expected to continue to grow to a shortage of 830 thousand new units by the end of 2027. At the same time, in Leipzig and Dresden, a shortage of about 60,000 new units is expected by 2030 (about 19% and 17% respectively of the total existing apartment stock) when in the last 8 years alone, a cumulative shortage of 24 thousand new units was created in Leipzig (excess demand over supply added to the cumulative gap from previous years)[39].

(2) **Slowdown in supply as a result of a sharp rise in construction costs for new apartments which led to a sharp decrease in the execution of new residential construction projects** - The jump in commodity prices was also reflected in a significant increase in construction costs in Germany during 2021 and 2022 at a rate of about 20% cumulatively, while during 2023 there was a moderation in the rate of increase in construction costs in Germany. The significant increase in construction costs led to the postponement of the start of new apartment construction projects at current construction price levels. For example, in 2022 and 2023, a decrease in construction completions was recorded below 300,000 units, to only about 180,000 units in 2024. The forecast for 2025 is around 205,000 units[40] and for 2026 the forecast is below 200,000 compared to a government target of building 400,000 units per year[41]. Furthermore, since March 2022, a continuous monthly decrease in the number of building permits has been recorded, which as of December 2025, decreased by 33% compared to December 2022[42].

The ability to raise rent above the inflation rate, tax benefits, a high margin of about 3.4% over index-linked government bonds and the expectation for Long Term Capital Appreciation due to condo apartments in central locations being an investment product in chronic shortage, will continue to support, in the Company's estimation, the prices of residential condo apartments in Germany in the medium-long term as an asset generating a real return at low risk.

In the Company's estimation, the structural supply and demand gaps support a continuous and significant increase in residential rent in the city centers where the Company operates, and consequently - in the increase in property values in the medium/long term.

It should be noted that the security/political situation in Israel, and the geopolitical situation related to Iran, has no effect on the Company's activity except for the effect on NIS exposure in respect of the loan from More Provident Funds and convertible BONDS (Series 1) taken by the Company denominated in NIS;

The information described above regarding the continuation of the rent growth trend, low volatility in the short term and an increase in the medium-long term in the value of residential rental properties in Germany is "forward-looking information" as defined in the Securities Law, which is not under the Company's full control and its actual realization, in whole or in part, is not certain. The information is based on information existing in the Company as of the date of the report, regarding: (1) the expected increase in demand for rentals; (2) the high robustness of households in Germany; (3) the low rent burden in the cities of the Company's activity; (4) the low unemployment rate in Germany thanks to high fiscal flexibility of the German government; (5) the lack of damage to rental income or the continuation of the long-term rental growth trend in previous periods of crisis and recession in Germany; (6) the Company's assessments regarding the shift of investments between cash and real assets; (7) future developments in inflation rates, German government bond yields, yields and yield spreads between the yield on a risk-free asset and real assets and liabilities related to these assets; (8) market information and also includes additional estimates by the Company.

Change in circumstances (including without derogating from the generality of the foregoing – a material adverse change in the economic situation in Germany, an increase in interest rates and a crisis in the real estate market in Europe in general and in Germany in particular), creating special conditions in the circumstances of the case, and/or the fulfillment of one or more of the risk factors detailed in Section 1.19 in Chapter A ("Description of the Corporation's Business"), in the 2025 Periodic report, may significantly change the Company's estimates detailed above and materially affect its forecasts as mentioned.

[38] From the Vonovia investor presentation for the third quarter of 2024 on the Company's website.

[39] BNP Paribas Real Estate, Residential Report Germany 2024

[40] EUROCONSTRUCT / ifo, an update regarding construction starts in 2025 has not yet been published.

[41] destatis and Macroeconomic Policy Institute (IMK) (2024)

[42] Destatis - German Federal Statistical Office website

Part A – Board of Directors' Explanations on the State of the Corporation's Business, Results of Operations, Equity and Cash Flows

1. Financial Position (Consolidated Reports)

Assets	As of March 31, 2026	As of March 31, 2025	As of December 31, 2025	Additional Explanation
	EUR thousands	EUR thousands	EUR thousands	
Current Assets				
Cash and cash equivalents	48,682	11,155	46,549	See cash flow statement.
Restricted bank deposits and liquid investments	33,583	12,983	37,417	
Inventory of apartments for sale	10,254	173	9,580	Deliveries and classification of apartments from investment property.
Financial assets	5,338	-	2,524	
Debtors and other debit balances	6,496	4,657	7,281	
Total Current Assets	**104,353**	**28,968**	**103,351**	
Non-Current Assets				
Investment property	923,794	791,612	883,076	Mainly acquisition of new assets.
Investment property – building rights	39,583	28,378	38,583	
Debtors, restricted deposits and debit balances	6,839	3,388	5,699	
Deferred taxes	3,114	1,201	1,722	
Total Non-Current Assets	**973,330**	**824,579**	**929,080**	
Total Assets	**1,077,683**	**853,547**	**1,032,431**	

Liabilities	As of March 31, 2026	As of March 31, 2025	As of December 31, 2025	Additional Explanation
	EUR thousands	EUR thousands	EUR thousands	
Current Liabilities				
Current maturities of bank loans	73,994	43,974	29,538	Classification for short term according to original loan repayment schedules.
Financial liabilities	-	790	-	
Creditors and credit balances	14,964	12,776	11,967	Mainly transaction costs for the purchase of assets.
Total	**88,958**	**57,540**	**41,505**	
Convertible BONDS	56,739	-	54,631	
Total Current Liabilities	**145,697**	**57,540**	**96,136**	
Non-Current Liabilities				

Liabilities	**As of March 31, 2026**	**As of March 31, 2025**	**As of December 31, 2025**	**Additional Explanation**
	EUR thousands	**EUR thousands**	**EUR thousands**	
Loans from banking corporations, financial institutions and others	387,062	331,837	411,021	Mainly short-term classification according to the original repayment schedules.
Deferred taxes	30,172	30,408	26,860	
Total Non-Current Liabilities	**417,234**	**362,245**	**437,881**	
Equity attributable to the Company's shareholders	**514,752**	**433,762**	**498,414**	
Total Liabilities and Equity	**1,077,683**	**853,547**	**1,032,431**	

2. Results of Operations (Consolidated Reports)

	For the three-month period ended March 31, 2026	For the three-month period ended March 31, 2025	For the year ended December 31, 2025	Additional Explanation
	Thousands of Euro	Thousands of Euro	Thousands of Euro	
Income from property rental	7,655	6,728	28,077	
Property management and other income	3,852	2,309	10,636	Acquisition of new assets and growth in rent from identical assets.
Property management expenses	(3,852)	(2,309)	(10,636)	
Maintenance cost of rental properties	(1,459)	(1,183)	(5,246)	
Gross profit from property rental	**6,196**	**5,545**	**22,831**	
Income from sales of apartments	9,026	3,375	11,450	
Cost of sales of apartments	(6,503)	(2,586)	(8,389)	
Gross profit from sale of apartments	**2,523**	**789**	**3,061**	
Total gross profit for the company	8,719	6,334	25,892	
General and administrative expenses	(1,961)	(1,705)	(5,584)	
Operating profit before changes in fair value of investment property, net	**6,758**	**4,629**	**20,308**	
Changes in fair value of investment property, net	16,398	13,521	58,546	
Operating profit (loss)	**23,156**	**18,150**	**78,854**	
Financing expenses, net	(3,987)	(2,544)	(11,777)	Increase in the volume of bank financing for the purchase of new assets and refinancing.
Change in fair value of financial assets and exchange rate differences, net	(476)	1,300	(1,255)	
Profit (loss) before income taxes	**18,693**	**16,906**	**65,822**	
Income taxes	(1,972)	(2,694)	1,396	
Net profit (loss) before Item A	**16,721**	**14,212**	**67,218**	
Item A – Update of differences in the conversion component in BONDS Series 1	(424)	-	106	
Net profit (loss)	**16,297**	**14,212**	**67,324**	

3. Cash Flows (Consolidated Reports)

	For the three-month period ended March 31, 2026	For the three-month period ended March 31, 2025	For the year ended December 31, 2025
	Thousands of Euro	Thousands of Euro	Thousands of Euro
Cash flows from operating activities	15,145	6,599	29,944
Cash flows for investing activities	(29,068)	(20,118)	(122,373)
Cash flows from/for financing activities (excluding refinancing)	5,982	(2,748)	107,889
Cash flows from refinancing activities	8,676	-	3,500

<u>Access to financing sources</u> - The company evaluates its access to financing sources as very high due to its financial resilience, the stability of its core activity, and the extensive relationships it has created with banks that finance real estate projects in Germany.

In accordance with Regulation 10(b)(14) of the Reporting Regulations (hereinafter: the "Regulation"), the company's Board of Directors examined in its meeting on May 18, 2026 whether there are warning signs (as defined in the Regulation) in the company's consolidated financial reports (hereinafter: the "Consolidated Report") and in a separate financial report in accordance with Regulation 9C of the Reporting Regulations (hereinafter: "Solo Report") as of March 31, 2026. The company's Board of Directors determined, based on an examination it performed (as specified below), that the continuous negative cash flow from operating activities in the Solo Report and the negative working capital in the Consolidated Report (approx. 41.3 million Euros) do not indicate a liquidity problem for the company.

<u>Cash flow from operating activities in the company's reports (Consolidated and Solo)</u>

	For the three-month period ended March 31, 2026	For the three-month period ended March 31, 2025	For the year ended December 31, 2025
	Thousands of Euro	Thousands of Euro	Thousands of Euro
Consolidated report	15,145	6,599	29,944
Solo report	[43]2,102	(480)	(1,061)

It should be noted that the company chooses not to receive management fees (except for low amounts for administrative purposes), or to withdraw dividends from subsidiaries in light of the high liquidity balances in the Solo report (approx. 112 million Euro) compared to current liabilities (not including convertible BONDS whose maturity date is at the end of 2030) in a negligible amount (approx. 3 million Euro only).

<u>Working capital in the Consolidated report</u>

The following is an analysis of the company's working capital as of the report date according to the data of the Consolidated report -

[43] It was noted that the positive flow for this period is not representative.

	In thousands of Euro	Additional Explanation
Current assets		
Cash and cash equivalents	48,682	
Restricted bank deposits and liquid investments	33,583	
Inventory of apartments for sale	10,254	
Financial assets	5,338	
Debtors and other debit balances	6,496	
Total current assets	**104,353**	
Current liabilities		
Creditors and credit balances	14,964	
Current maturities of loans from banking corporations for current principal repayments	6,118	
Loans from banking corporations in refinancing stages	45,220	Classified as short-term in accordance with the original repayment schedule of the loans; the LTV ratio in these loans is approximately 44%
Loans from banking corporations— (refinancing process not yet started)	22,656	Classified as short-term in accordance with the original repayment schedule of the loans; the LTV ratio in these loans is approximately 37%
Convertible BONDS (Series 1)	53,739	With a duration of approximately 4.5 years, classified as current maturity due to the equity conversion right of the BONDS holders
Total current liabilities	**145,270**	

4. NTA Index[44] - Net Tangible Assets and FFO (Funds from Operations)

Below is the calculation of the NTA value of the company as of March 31, 2026:

	NTA
	In thousands of Euro
Equity attributable to the company's shareholders	514,752
Plus deferred taxes for investment property and the effect of the derivative component value in convertible BONDS Series 1	32,128
Total	**547,853**
Per share (in Euro)	**24.61**

Method for calculating FFO

The FFO index is calculated as the net profit (loss) attributable to the company's shareholders from yielding activities only, in accordance with the ISA guidelines and with certain adjustments for non-operating items that are affected by fair value valuations of assets and liabilities. These are mainly fair value adjustments of investment property, various capital gains and losses, various depreciations, adjustment of expenses for business development, changes in fair value recognized for financial instruments and deferred taxes.

In addition, since the company has acquired and is acquiring assets in each of the years of activity since its inception, the results of operations of these assets were only partially reflected in the annual net profit in each period (acquired during the year and yielded a partial yield). Therefore, as part of the FFO index calculation, an adjustment was made for a full annual yield based on the results of activity in the last quarter of each period of activity.

[44] NTA-Net Tangible Assets – Equity plus deferred taxes

reported, and adjustment to full annual yield for the results of operation of assets under notarized purchase contracts and exclusivity agreements that have not yet been consolidated in the period of operation.

The company clarifies that the FFO index does not represent cash flows from operating activities according to accepted accounting principles, does not reflect cash in the company's hands and its ability to distribute them, and does not replace the reported net profit (loss). It is also clarified that these indices are not data audited by the company's auditing accountants.

Below is the calculation of the company's FFO for the reported periods:

In the opinion of the company's management, the FFO index is not an appropriate indicator for examining the company's performance, because it does not properly reflect the company's asset-appreciation-oriented business model.

[45] Results of operation (including financing expenses) of assets consolidated for the first time during the report period shown in the table were adjusted so that results represent full operation periods.

[46] Assets whose ownership transferred to the company after the period reported in the table and have not yet been consolidated in the company's financial statements, and assets which, at the date of signing the reports for each period shown in the table, are under notarized purchase agreements and exclusivity agreements - the results of operation (including financing expenses) for them were adjusted for a full operation period.

(Funds from Operations) FFO	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the year ended December 31, 2025
	In thousands of Euro, consolidated (unaudited)		
Net profit (loss) for the year attributable to the holders of the company's equity rights	16,297	14,212	67,324
Adjustments according to the provisions of the Fourth Schedule to the Securities Regulations (Prospectus Details and Draft Prospectus – Structure and Form), 5729-1969 (hereinafter: "Prospectus Details Regulations")*:			
Neutralization of profit from sale of apartments	(2,523)	(789)	(3,061)
Changes in the fair value of investment property	(16,398)	(13,521)	(58,546)
Changes in fair value of financial instruments including exchange differences	900	(1,300)	1,149
Current and deferred tax effects due to the above adjustments	1,972	2,693	(1,396)
FFO according to the Securities Authority approach attributable to the company's shareholders	**248**	**1,295**	**5,470**
Adjustment to full yield for results of operations for assets and liabilities consolidated for the first time during the report period[45]	444	358	3,423
Adjustment to full yield for results of operations of assets and liabilities under notarized purchase contracts and exclusivity agreements not yet consolidated during the report period[46]	1,063	363	947
Additional adjustments for non-cash items:			
Cost of share-based payment	36	133	255

(Funds from Operations) FFO	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the year ended December 31, 2025
	In thousands of Euro, consolidated (unaudited)		
Euro-Shekel interest gap/interest component in hedging transactions	141	184	184
One-time or exceptional expenses	1,018	301	1,070
Neutralization of business development activity	78	68	282
FFO according to management approach for the period	**3,028**	**2,702**	**11,631**
FFO according to management approach for a one-year period	**12,112**	**10,808**	**11,631**

Part B – Market Risk Exposure and Management Methods

Market Risks to which the Company is Exposed

Currency Exchange Rate Effect - As of the report date, the Company's maximum currency exposure rate resulting from the balance denominated in NIS amounts to approximately 4.4% of the Company's balance sheet. As of the report date, the Company has cash held in NIS and hedging transactions with a nominal value of approximately 101 million Euros. It should be noted that the proceeds from the BONDS expansion are held in NIS as of the date of report signing.

The Fair Value of the Company's Main Financial Instruments

As of the report date, most financial instruments are presented at their fair value.
Below are sensitivity tests for changes in the fair value of the Company's main financial instruments due to a change in interest (in thousands of Euros): The base interest rate is 3 Months Euribor.

March 31, 2026:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	5,974	3,315	(369,424)	(2,095)	(4,848)
SWAP interest rate swap transactions not recognized as accounting hedging	40	20	-	(20)	(40)
Total	**6,014**	**3,335**	**(369,424)**	**(2,115)**	**(4,888)**

Additionally, the change in the fair value of financial assets due to interest rate fixation contracts (CAP) is limited to their value as of the report date (831 thousand Euros).

March 31, 2025:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	4,363	2,172	(375,273)	(2,155)	(4,291)
SWAP interest rate swap transactions not recognized as accounting hedging	42	21	-	(21)	(42)
Total	**4,405**	**2,193**	**(375,273)**	**(2,176)**	**(4,333)**

December 31, 2025:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	4,363	2,172	(375,273)	(2,155)	(4,291)
SWAP interest rate swap transactions not recognized as accounting hedging	42	21	-	(21)	(42)
Total	**4,405**	**2,193**	**(375,273)**	**(2,176)**	**(4,333)**

Below are sensitivity tests for changes in the fair value of the Company's main financial instruments due to changes in exchange rates (in thousands of Euros):

Change in the exchange rate of the Euro against the NIS.

March 31, 2026:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	(14,981)	(7,490)	(149,819)	7,490	14,981

	10%	5%	Fair Value	-5%	-10%
Currency hedging transactions	8,896	4,448	4,506	(4,448)	(8,896)
Cash held in NIS	1,292	646	12,924	(646)	(1,292)
Total	**(4,793)**	**(2,396)**	**(132,389)**	**2,396**	**4,793**

March 31, 2025:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	(5,663)	(2,831)	(56,632)	2,831	5,663
Currency hedging transactions	3,000	1,500	(1,193)	(1,500)	(3,000)
Cash held in NIS	23	11	234	(11)	(23)
Total	**(2,640)**	**(1,320)**	**(57,591)**	**1,320**	**2,640**

December 31, 2025:

	10%	5%	Fair Value	-5%	-10%
Fixed-interest loan	(14,445)	(7,223)	(144,452)	7,223	14,445
Cash held in NIS	6,700	3,350	1,413	(3,350)	(6,700)
Hedging transactions	5,042	2,521	50,416	(2,521)	(5,042)
Total	**(2,703)**	**(1,352)**	**(92,623)**	**1,352**	**2,703**

The fair value of investment real estate assets is also affected by changes in market interest rates. A permanent increase/decrease (an increase/decrease observed by the market as not temporary but rather characterizing a medium/long-term trend) in market interest rates will lead to a change in the required yields on real estate assets (although there is no full correlation between the change in market interest rates and the change in yields on assets) and to a decrease/increase in their fair value respectively. For more details – see section 3 above.

Part C - Corporate Governance Aspects

(1) General

The Company is a Dutch company incorporated in the Netherlands in January 2018 as a public limited liability company (NV[47]) in accordance with Dutch laws. Under the Dutch Companies Act, the shares of a Dutch NV company can be issued to the public and traded on the stock exchange, as opposed to a Dutch BV (Besloten vennootschap) company whose shares cannot be issued to the public. Therefore, the Dutch Companies Act defines an NV type company as a public company even if its shares have not yet been issued to the public.

In accordance with Section 39a(a) of the Securities Law, 5728-1968 (hereinafter: "**Securities Law**" and "**Section 39a**" respectively), the provisions of the Companies Law, 5759-1999 (hereinafter: "**Companies Law**") and regulations under the Securities Law, apply to a company incorporated outside of Israel that offered its shares or debentures to the public in Israel, all in accordance with the details in Part A of the Fourth Appendix to the Securities Law; however, the Securities Authority may exempt such a company from the provisions and regulations detailed in said Appendix, in whole or in part, if it is satisfied that the law outside of Israel applicable to the company sufficiently ensures the interests of the investing public in Israel.

Since the Company's shares were first offered to the public in Israel and registered for trading on the Tel Aviv Stock Exchange Ltd. (hereinafter: "**the Stock Exchange**") in accordance with Israeli law, the provisions of Section 39a apply to the Company, as stated above, and as a result, various provisions of the Companies Law will apply to the Company as detailed in Part A of the Fourth Appendix to the Securities Law (hereinafter: "**Part A of the Fourth Appendix**"), where these provisions apply in addition to the provisions of Dutch law[48]. For further details, see Chapter 5 of the Shelf Prospectus. In addition to the above, see Appendix E to the 10/25 Proposal Report, changes to Chapter 5 ("Comparison of Laws") of the Shelf Prospectus, which include – among other things – an update regarding the applicability of insolvency laws in each of the three territories: Israel, the Netherlands, and Germany (both regarding local jurisdiction and subject matter jurisdiction) as well as an update on the obligations of the Company, the subsidiary (GRT B.V.), and directors and officers in the Company and the subsidiary regarding the applicability of Israeli law in connection with an arrangement, settlement, and insolvency.

It should be noted that subject to compliance with the obligations of the Company, the subsidiary, the directors, and the officers in the Company and the subsidiary, an insolvency proceeding that is initiated not in accordance with Israeli law or in Israeli courts may only take place in connection with a claim filed by a foreign creditor.

(2) Translation of the Report into English

Without derogating from the legal responsibility of each of the board members (who approved the board of directors' report) for what is stated in this report above and below, it will be clarified that two (Ms. Monique van Dijken Eeuwijk and Mr. Bert van den Heuvel) of the five board members are not Hebrew speakers. In this regard, it should be noted that Monique van Dijken Eeuwijk and Bert van den Heuvel, who participated in the board meeting to discuss and approve the Company's report and approved this report, informed the Company that they approved this report based on an English translation of the report and not on the original Hebrew version. The said directors declared that they are aware that the binding version of the board of directors' report is its original version in Hebrew.

(3) Directors with Accounting and Financial Expertise

On August 5, 2021, the Company's board of directors determined that the minimum required number of directors on the board who must have accounting and financial expertise, as defined under Section 240 of the Companies Law, shall be 3 (including external directors), taking into account, among other things, the type of Company, its size, the scope of its activities, and the complexity of its operations; it should be noted that as of the date of report signing, Mr. Nir Ilani, Mr. Lambertus Van den Heuvel, and Ms. Monique van Dijken Eeuwijk possess accounting and financial expertise. For details regarding the education and business experience of all board members, see Regulation 26 in Chapter D ("Additional Details about the Corporation") attached to the Periodic Report 2025;

It should be clarified that during the reporting period, no change was reported in the composition of directors with accounting and financial expertise.

(4) Independent Directors

It should be noted that as of the report date, 3 independent directors serve on the Company's board of directors – Ms. Monique van Dijken Eeuwijk (External Director), Mr. Lambertus Van den Heuvel (External Director), and Mr. Nir Ilani (Independent Director) – out of 5 serving board members.

Ms. Monique van Dijken Eeuwijk was appointed by the general meeting of the Company's shareholders on April 12, 2021, to serve as an external director in the Company (which is about to offer shares to the public for the first time) starting from the date the Company becomes a public company (as defined in the Companies Law), and on July 19, 2021, the general meeting of the Company's shareholders approved her appointment as a director.

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[47] N.V. is a legal entity under Dutch law, with registered capital divided into transferable shares. Shareholders are not personally liable for actions performed in the name of the N.V. and are not liable for its losses beyond the amount they must pay for the shares they hold. N.V. shares can be traded on the stock exchange.

[48] The Company's bylaws include the implementation of all sections of the Companies Law that apply to the Company by virtue of Section 39a and the Fourth Appendix (Part A) of the Securities Law, except for Sections 256(c), 256(d), 280(b), and 281 of the Companies Law (which contradict Dutch law), which the Company asked the Authority to exempt it from applying. The Company's bylaws do not contradict mandatory provisions of Dutch law.

external (non-executive) on the Company's Board of Directors starting July 19, 2021. On March 26, 2024, the general meeting of the Company's shareholders approved her reappointment as an external director (non-executive) on the Company's Board of Directors for an additional three-year term starting April 12, 2024.

Mr. Lambertus Van den Heuvel was appointed by the annual general meeting of the Company's shareholders on November 30, 2020, to serve as an external director in the Company (which is about to offer shares to the public for the first time) starting from the date the Company becomes a public company (as defined in the Companies Law), and on July 19, 2021, the general meeting of the Company's shareholders approved his appointment as an external director (non-executive) on the Company's Board of Directors starting July 19, 2021. It should be noted that on November 23, 2023, the general meeting of the Company's shareholders approved his reappointment as an external director (non-executive) on the Board for an additional three-year term starting November 30, 2023.

Following the amendment to the Company's bylaws on March 27, 2024, in a manner that allows classifying an executive director (as defined in the Dutch Corporate Governance Code) as an independent director (as defined according to the Israeli Companies Law), the Company's Audit Committee approved at its meeting on November 18, 2024, based on the declaration of Mr. Nir Ilani, that Mr. Ilani – who had served as an executive director on the Company's Board for about three years – meets the definition of "independent director" under Section 1 of the Companies Law, and therefore shall be classified, from that date forward, as an "independent director" on the Company's Board of Directors. It should be emphasized that with the approval of Mr. Ilani's appointment as a non-executive director (who is not an external director) on the Board (at the annual general meeting on January 7, 2025) instead of his service as an executive director, Mr. Ilani continues to serve as an independent director on the Company's Board of Directors.

Part D – Disclosure Provisions in Connection with the Corporation's Financial Reporting

1. Details regarding reportable credit

For details regarding reportable credit, see **Appendix A** attached to Chapter A of this quarterly report.

2. Post-report events

See Section 5 in Part A above.

3. Critical accounting estimates

Regarding critical accounting estimates, see Note 2 to the annual audited consolidated financial statements of the Company which were attached in Chapter C of the Periodic report 2025.

Disclosure regarding valuators

The valuators of the Company's assets are JLL, BNP, and W&P. The proportion of assets valued by them constitute approximately 36%, 25%, and 36%, respectively, of the Company's assets' value as of March 31, 2026. The valuators are independent of the Company.

For details regarding the engagement with the valuators, in accordance with Section 2 of the Third Schedule to the Reporting Regulations, see below:

Jones Lang LaSalle

Identity of the corporation that commissioned the valuations and the identity of the organ in said corporation that decided on the engagement with the valuator;	Argo Properties N.V. By Mr. Fred Gania, VP Strategy, Acquisitions and Finance
Date of engagement between the commissioning party and the valuator;	In connection with 48 residential properties, April 8, 2026.
Reasons for which the corporation commissioned the valuations;	Investment property valuation update
Valuator's name and date of signing the engagement agreement;	Jones Lang LaSalle April 8, 2026.
Details of the valuation providers;	ppa. Roman Heidrich, ppa Stefan Wieser, i.A Marlit Juette
Valuators' education details;	The valuators hold academic degrees (some with Master's degrees) in Economics and/or Real Estate.
Conditions, if any, regarding the fee to which the valuator is entitled; also, the extent of influence such conditions have on the results of the valuation;	None
Agreement, if any, to indemnify the valuator for their work; if such agreement existed, the terms of the indemnification and the identity of the indemnifier shall be detailed;	None
Details regarding the valuators' experience in performing valuations of similar scope to the current subjects or higher;	Each of the valuators has over 10 years of experience in valuations of similar scope.

BNP

Identity of the corporation that commissioned the valuations and the identity of the organ in said corporation that decided on the engagement with the valuator;	Argo Properties N.V. by Mr. Fred Gania, VP Strategy, Acquisitions and Finance

Date of engagement between the commissioning party and the valuator;	In connection with 48 residential properties, March 11, 2026.
Reasons for which the corporation commissioned the valuations;	Investment property valuation update
Valuator's name and date of signing the engagement agreement;	BNP March 11, 2026.
Details of the valuation providers;	Manuel Westphal FRICS; ppa. Anne Tonscheidt MRICS
Valuators' education details;	The valuators hold academic degrees (some with Master's degrees) in Economics and/or Real Estate.
Conditions, if any, regarding the fee to which the valuator is entitled; also, the extent of influence such conditions have on the results of the valuation;	None
Agreement, if any, to indemnify the valuator for their work; if such agreement existed, the terms of the indemnification and the identity of the indemnifier shall be detailed;	None
Details regarding the valuators' experience in performing valuations of similar scope to the current subjects or higher;	Each of the valuators has over 10 years of experience in valuations of similar scope.

W&P

Identity of the corporation that commissioned the valuations and the identity of the organ in said corporation that decided on the engagement with the valuator;	Argo Properties N.V. by Mr. Fred Gania, VP Strategy, Acquisitions and Finance
Date of engagement between the commissioning party and the valuator;	In connection with 62 residential properties, March 18, 2026.
Reasons for which the corporation commissioned the valuations;	Investment property valuation update
Valuator's name and date of signing the engagement agreement;	W&P March 18, 2026.
Details of the valuation providers;	Mihai Costache öbuvSV ; Andreas Pörschke MRICS
Valuators' education details;	The valuators hold academic degrees (some with Master's degrees) in Economics and/or Real Estate.
Conditions, if any, regarding the fee to which the valuator is entitled; also, the extent of influence such conditions have on the results of the valuation;	None
Agreement, if any, to indemnify the valuator for their work; if such agreement existed, the terms of the indemnification and the identity of the indemnifier shall be detailed;	None
Details regarding the valuators' experience in performing valuations of similar scope to the current subjects or higher;	Each of the valuators has over 10 years of experience in valuations of similar scope.

Part E – Specific Disclosure to the Company's BONDS holders

1. BONDS (Series 1)

Below are details regarding BONDS issued by the Company and held by the public as of the date of the report:

	BONDS (Series 1)
Is the series material (as defined in Regulation 10(b)(13)(a) of the Reporting Regulations)	Yes
Issuance date	October 30, 2025
Series expansion dates	April 27, 2026
Par value at the time of issuance (NIS thousands)	200,000
Par value at the time of series expansion (NIS thousands)	310,000
Par value as of 31.3.2026 (NIS thousands)	200,000
Linked par value as of 31.3.2026	200,000 (No linkage)
Accrued interest amount (NIS thousands) as of 31.3.2026	1,666
Value in the financial statements as of 31.3.2026 (NIS thousands), including interest payable	209,743
Stock exchange value as of 31.3.2026 (NIS thousands)	211,000
Type, interest rate and payment date (the interest is subject to adjustments in case of a change in the rating of the BONDS of the relevant series and/or non-compliance with financial covenants).	The principal of the BONDS (Series 1) shall bear an annual interest rate of 2% (subject to adjustments in case of change in the rating of the BONDS (Series 1) and/or non-compliance with financial covenants as detailed in sections 5.2 and 5.3 of the Trust Deed dated October 27, 2025, between the Company on one side and Reznik Paz Nevo Trusts Ltd. on the other side, as trustee for the Company's BONDS (Series 1) holders (hereinafter: "Trust Deed"[49]), which is paid twice a year, on June 30 of each of the years 2026 to 2030 (inclusive) and on December 31 of each of the years 2026 to 2030 (inclusive) starting from June 30, 2026.
Principal payment dates	The BONDS are due for repayment in one (1) payment which shall occur on December 31, 2030, and which will constitute 100% of the total par value of the BONDS.
Linkage basis (Principal and Interest)	Not linked
Are they convertible	Yes, BONDS (Series 1) are convertible on any day on which trading takes place on the stock exchange starting from the registration date of the BONDS (Series 1) series for trading on the stock exchange until December 21, 2030, such that every 160 NIS par value of the BONDS are convertible into one ordinary share of 0.01 Euro par value of the Company; subject to adjustments as stated in Section 8.3 of the registered terms on the back of the page in the first appendix to the Trust Deed.

	BONDS (Series 1)
The Company's right to perform early redemption or forced conversion	Yes, the Company shall be entitled, at any time from the end of 30 trading days from the date of registration for trading of the BONDS and until December 21, 2030 (inclusive), at its sole discretion, without providing a right of choice in this matter to the holders of the BONDS (Series 1), to require the holders of the BONDS (Series 1) to perform a full forced conversion of the outstanding principal of the BONDS (Series 1) into ordinary shares of the Company, provided that the notice of forced conversion is published at least 21 days (and no more than 45 days) before performing the forced conversion as detailed in section 7.2 of the Trust Deed. A condition for such forced conversion is that the average price of the Company's share on the stock exchange during the last 30 trading days prior to giving the notice regarding the execution of the forced conversion is at least 195 NIS, and the Company can only give such notice after the fulfillment of said condition.
Guarantee provided for payment of the corporation's obligations according to the Trust Deed – Name of the guarantor	No guarantee was provided for the payment of the corporation's obligations according to the Trust Deed.

[49] Attached as Appendix A to the Offering Report 10/25.

.2 Details regarding the Trustee for the BONDS (Series 1) of the Company:

Trustee Name	Reznik Paz Nevo Trusts Ltd.
Name of the person responsible for the series	Michal Avtalion-Roshoni, Adv.
Telephone	03-6389200
Fax	03-6289222
Mailing Address	14 Yad Harutzim St., Tel Aviv

.3 Rating of the Company and the BONDS (Series 1):

On October 8, 2025, S&P Maalot Ltd. (hereinafter: "**Maalot**") announced a rating of 'ilA+' for the issuance of a new series (Series 1) of BONDS that the Company intends to issue, in a scope of up to 200 million NIS par value. For more details see Maalot's announcement dated October 8, 2025[50]. On April 19, 2026, Maalot announced a rating of 'ilA+' for BONDS in a scope of up to 110 million NIS par value that the Company will issue through a private expansion of (Series 1). The proceeds from the issuance will be used for the Company's ongoing activities. For more details see Maalot's announcement dated April 19, 2026[51].

BONDS Rating:

BONDS Series	Rating Company Name	Rating determined at the time of BONDS issuance	Rating as of the report date	Rating as of the report publication date	Whether the corporation was notified of the rating company's intention to examine a change in the existing rating, and provide details in this regard
Series 1	S&P Maalot Ltd. (hereinafter: "Maalot")	ilA+	ilA+	ilA+	--

Company's Issuer Rating:

Rating Company Name	Rating as of the report date	Rating as of the report publication date	Whether the corporation was notified of the rating company's intention to examine a change in the existing rating, and provide details in this regard
Maalot	ilA Positive rating outlook	ilA Positive rating outlook	--

.4 Trust Deed

4.1 Compliance with conditions and obligations according to the Trust Deed (Series 1)

To the best of the Company's knowledge, as of March 31, 2026, and as of the date of signing the report, the Company complies with all the terms and obligations under the Trust Deed.

Below is a breakdown of the main obligations of the Company according to the Trust Deed, with which, as mentioned above, the Company complies as of March 31, 2026, and as of the date of signing the report: The Company confirms that the Company and its subsidiary comply with the provisions of Section 5.5 of the Trust Deed.

- The Company confirms that it complies with its obligations in Section 5.6 of the Trust Deed, regarding its field of activity.
- The Company confirms that it complies with its obligations in Section 5.8 of the Trust Deed, regarding specific disclosure to the Company's BONDS (Series 1) holders.
- The Company confirms that the Company and the subsidiary comply with their obligations in Sections 6.2.1 and 6.2.2 of the Trust Deed regarding not creating liens.
- The Company confirms that it complies with each of the financial covenants as defined in Section 6.3 of the Trust Deed as well as in accordance with Section 5.3 of the Trust Deed. For details, see Section 4.2 below.
- The Company confirms that it complies with its obligations in Section 6.4 of the Trust Deed, regarding not taking credit from financial institutions and/or corporations whose business is providing credit that are not Israeli.

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[50] [Reference No. 2025-15-074332].

[51] [Reference No. 2026-15-035994].

4.2 Details regarding the company's compliance with financial covenants in accordance with the trust deed (Series 1)

Below are the details of the financial covenants specified in the trust deed (terms shall have the meaning given to them in the trust deed):

Financial obligation	Method of calculating financial covenants and results as of March 31, 2026	Section of the trust deed / Notes	Does the company comply with the financial covenant?
The consolidated equity[52] of the company (excluding minority rights) shall not be less than 230 million Euros (this amount will not be index-linked).	Consolidated equity (excluding minority rights) = 514,752 thousand Euros.	Section 6.3(1)	**Yes**
The ratio of adjusted[53] net financial debt to net CAP[54] shall not exceed 75%.	Thousand Euros Adjusted net financial debt: 436,093 Net CAP: 950,845 Ratio: 45.9%	Section 6.3(2)	**Yes**
The consolidated equity of the company (excluding minority rights) shall not be less than 270 million Euros.	See above	Section 5.3(1) Non-compliance with the covenant does not constitute grounds for immediate repayment, but may grant an adjustment in the interest rate	**Yes**
The ratio of adjusted net financial debt to net CAP shall not exceed 70%.	See above	Section 5.3(2) Non-compliance with the covenant does not constitute grounds for immediate repayment, but may grant an adjustment in the interest rate	**Yes**

As of the report date, the company complies with all financial covenants described above in accordance with the company's financial statements as of March 31, 2026.

4.3 Convening of a meeting of BONDS (Series 1) holders and changes to the terms of BONDS (Series 1)

During the report period and close to its publication date, the company was not required to convene meetings of BONDS (Series 1) holders and the terms of BONDS (Series 1) were not changed.

4.4 Collateral and liens to secure the BONDS (Series 1)

The BONDS (Series 1) are not secured by collateral.

52 "The company's consolidated equity": The company's equity according to the company's consolidated financial statements.

53 "Adjusted net financial debt": Short-term and long-term interest-bearing debt from banks and financial institutions, as well as from entities whose primary business is providing loans, plus interest-bearing debt to holders of BONDS issued by the company, net of cash and cash equivalents, and net of short-term investments, marketable securities recognized in the company's financial statements as current assets and deposits (including such assets restricted in use, except for pledged deposits placed against guarantees or loans), all based on the company's consolidated financial statements.

54 "Net CAP": Adjusted net financial debt plus the total consolidated equity of the company (including minority rights).

May 18, 2026

Names of Signatories	Position	Signature
Ron Tira	Chairman of the Board	
Gal Tenenbaum	Co-CEO	
Ofir Rahamim	Co-CEO	

Financial Covenants and Obligations Compliance Table

Below are data regarding the compliance of the company and subsidiaries with financial covenants established in material loans[55]. The calculation of financial covenants was performed according to the definitions in the relevant loan agreements and does not necessarily correspond with accepted accounting principles:

Serial No.	Loan Grant Date	Original Loan Facility Amount in thousand Euros	Principal Balance as of 31.3.2026 in thousand Euros	Financial Obligations	Net Debt to Net CAP	Individual Asset Value
1	18/1/2022	60,000	[56]92,134	Net financial debt[57] to net CAP[58] shall not exceed 75% at any time; individual asset value[59] of the company's assets shall not exceed 15% of the value of all the company's real estate assets[60];	As of 31.3.2026[61]	As of 31.3.2026
					47.7%	3.4%
					As of the report signing date[62]	As of the report signing date[50]
					48.1%	3.4%

It should be noted that the loan described in the table, which was provided to the company by Mor Gemel (an interested party in the company), was expanded as mentioned in section 3.2 of the Periodic report 2025. Additionally, as of the report date, grand-subsidiaries of the company have non-material[55] loans from banks (against real estate collateral) in a total volume of approximately 211 million Euros at an average LTV of approximately 37% subject to financial covenants, as well as loans without financial covenants from banks (against real estate collateral) in a total volume of approximately 160.2 million Euros at an average LTV of approximately 48%.

[55] As defined in the reporting credit position of the Securities Authority dated October 30, 2011, as updated on March 19, 2017, on February 2, 2023, and on January 14, 2024. Regarding compliance with financial covenants in connection with convertible BONDS (Series 1), see section 4.2 in Part E ("Specific disclosure to the company's bondholders") included in this Board of Directors report above.

[56] The original loan agreement was signed on January 18, 2022, an additional loan agreement was signed on April 7, 2025, as mentioned in section 3.2 above in the Board of Directors report included in the Periodic report 2025. The difference between the original loan amount and the loan amount as of the report date also stems from exchange rate differences; see sensitivity analysis within the Board of Directors report.

[57] "Net financial debt" – financial debt, less financial assets; "financial debt" - the total debts and obligations of the company, direct and indirect (including those for guarantees, liens and mortgages in favor of others and for indemnification letters of any kind given by the company to secure debts and obligations of the types specified below, taken by others): (1) to banks and other financial institutions; as well as (2) those arising from BONDS of all types, including straight BONDS, notes, and convertible BONDS; as well as (3) for loans received from an entity in the related group; as well as (4) for loans received from any third parties or for amounts raised in another way that have the character of debt-taking, or whose economic result is debt-taking; as well as (5) for amounts received as a result of the sale or discounting of receivables, accounts, notes, or other financial assets, under conditions allowing recourse to the seller in case of non-payment on time of the said receivables, accounts, notes, or other financial assets; as well as (6) for amounts raised in other transactions and reported as financial debt according to accounting principles; and all - as reported in the consolidated financial statements of the company (reviewed quarterly or audited annually, as the case may be), the last signed before each testing date; "financial assets" - the cumulative total of (1) cash and cash equivalents (unless pledged in favor of any third party); (2) bank deposits (unless pledged in favor of any third party); and all - as reported in the consolidated financial statements of the company (reviewed quarterly or audited annually, as the case may be), the last signed before each testing date;

[58] "Net CAP" - equity plus net financial debt; "equity" - the company's equity, as meant by accounting rules, and if according to these rules the company's equity also includes the part attributed to non-controlling interests – less these rights ("the part attributed to non-controlling interests" – as defined in standards and interpretations adopted by the International Accounting Standards Board); and all - as reported in the consolidated financial statements of the company (reviewed quarterly or audited annually, as the case may be), the last signed before each testing date.

[59] The value of any real estate asset in which the company is/will be a holder of rights (directly or indirectly through held corporations); in this matter – "asset" is a separate registration unit in the Land Registry.

[60] All real estate assets in which the company is/will be a holder of rights (directly or indirectly through held corporations).

[61] Calculated according to the report date.

[62] Calculated according to the report date plus the effect of completing acquisition transactions that the company entered into up to the date of signing the report.

Consolidated Financial Statements and Separate Financial Information as of March 31, 2026

Consolidated Financial Statements and Separate Financial Information as of March 31 2026

To:

The Board of Directors of Argo Properties N.V.

Dear Sirs/Madams,

Subject: Consent letter regarding the shelf prospectus dated May 2024 of Argo Properties N.V. (hereinafter: "the Company")

We hereby inform you that we agree to the inclusion (including by way of reference) of our reports detailed below in connection with the shelf prospectus dated May 2024:

1. Review report dated May 18, 2026, on condensed consolidated financial information of the Company as of March 31, 2026, and for the three-month period ended on that date.

2. Special report of the independent auditor dated May 18, 2026, for the review of the separate financial information of the Company as of March 31, 2026, and for the three-month period ended on that date in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Sincerely,

Brightman Almagor Zohar & Co.

Certified Public Accountants

A Firm in the Deloitte Global Network

Tel Aviv, May 18, 2026

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Rishon LeZion

ARGO PROPERTIES N.V.

Condensed Interim Consolidated Financial Statements

As of March 31, 2026

(Unaudited)

ARGO PROPERTIES N.V.

Condensed Interim Consolidated Financial Statements

As of March 31, 2026

(Unaudited)

Table of Contents

Review Report of the Independent Auditor to the Shareholders of ARGO PROPERTIES N.V.

Introduction:

We have reviewed the accompanying financial information of ARGO PROPERTIES N.V. and its subsidiaries (hereinafter - "the Group"), which includes the condensed consolidated statement of financial position as of March 31, 2026, and the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period ended on that date. The Board of Directors and Management are responsible for the preparation and presentation of financial information for this interim period in accordance with International Accounting Standard IAS 34 - "Interim Financial Reporting", and they are also responsible for the preparation of financial information for this interim period according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on the financial information for this interim period based on our review.

Scope of Review:

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned financial information is not prepared, in all material respects, in accordance with International Accounting Standard IAS 34.

In addition to the aforementioned in the previous paragraph, based on our review, nothing has come to our attention that causes us to believe that the aforementioned financial information does not comply, in all material respects, with the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Brightman Almagor Zohar & Co.

Certified Public Accountants

A Firm in the Deloitte Global Network

Tel Aviv, May 18, 2026

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Rishon LeZion	Ra'anana	Beit Shemesh, 9906201

ARGO PROPERTIES N.V.

Condensed Interim Consolidated Statements of Financial Position

	As of March 31		As of December 31
	2 0 2 6	2 0 2 5	2 0 2 5
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Current Assets			
Cash and cash equivalents	48,682	11,155	46,549
Restricted deposits and liquid investments	33,583	12,983	37,417
Inventory of apartments for sale	10,254	173	9,580
Financial assets	5,338	-	2,524
Debtors and debit balances	6,496	4,657	7,281
	104,353	**28,968**	**103,351**
Non-Current Assets			
Investment property	923,794	791,612	883,076
Investment property - building rights	39,583	28,378	38,583
Debtors, restricted deposits and debit balances	6,839	3,388	5,699
Deferred taxes	3,114	1,201	1,722
	973,330	**824,579**	**929,080**
Total Assets	**1,077,683**	**853,547**	**1,032,431**
Current Liabilities			
Current maturities of loans from banking corporations	73,994	43,974	29,538
Financial liabilities	-	790	-
Creditors and credit balances	14,964	12,776	11,967
Convertible BONDS (*)	56,739	-	54,631
	145,697	**57,540**	**96,136**
Non-Current Liabilities			
Loans from banking corporations and financial institutions	387,062	331,837	411,021

	As of March 31		As of December 31
	2026	**2025**	**2025**
	In thousands of EUR	**In thousands of EUR**	**In thousands of EUR**
	(Unaudited)	**(Unaudited)**	**(Audited)**
Deferred taxes	30,172	30,408	26,860
	417,234	**362,245**	**437,881**
Equity Attributable to Shareholders of the Company			
Share capital	223	206	218
Share premium	287,447	276,041	287,447
Statutory equity reserve	188,872	127,262	175,195
Share-based payment equity reserve	5,315	5,157	5,279
Retained earnings	32,895	25,096	30,275
Total Equity Attributable to Shareholders of the Company	**514,752**	**433,762**	**498,414**
Total Equity and Liabilities	**1,077,683**	**853,547**	**1,032,431**

Ron Tira	**Guy Priel**	**Gal Tenenbaum**	**Ophir Rahamim**
Chairman of the Board	CFO	Co-CEO	Co-CEO

May 18, 2026
Date of approval of the financial statements

(*) Repayable in a single payment in December 2030 as long as the conversion option into company shares is not exercised. Presented as current liability in light of the conversion option to company shares available to holders.

The accompanying notes to the condensed consolidated financial statements are an integral part thereof.

ARGO PROPERTIES N.V.

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Rental income	7,655	6,728	28,077
Property management and other income	3,852	2,309	10,636
Property management expenses	(3,852)	(2,309)	(10,636)
Maintenance cost of rental properties	(1,459)	(1,183)	(5,246)
Gross profit from property rental	**6,196**	**5,545**	**22,831**
Income from sale of apartments	9,026	3,375	11,450
Cost of sales of apartments	(6,503)	(2,586)	(8,389)
Gross profit from sale of apartments	**2,523**	**789**	**3,061**
Total gross profit for the company	**8,719**	**6,334**	**25,832**
Administrative and general expenses	(1,961)	(1,705)	(5,584)
Operating profit before changes in fair value of investment property, net	**6,758**	**4,629**	**20,308**
Changes in fair value of investment property, net	16,398	13,521	58,546
Operating profit (loss)	**23,156**	**18,150**	**78,854**
Finance expenses, net	(3,987)	(2,544)	(11,777)
Update of differences of conversion component in BONDS series 1	(424)	-	106
Change in fair value of financial assets and exchange differences, net	(476)	1,300	(1,255)
Profit (loss) before income taxes	**18,269**	**16,906**	**65,928**
Income taxes	(1,972)	(2,694)	1,396
Net profit (loss) for the period	**16,297**	**14,212**	**67,324**
Other comprehensive profit (loss)	-	-	-
Total net and comprehensive profit (loss) attributable to the company's shareholders	**16,297**	**14,212**	**67,324**
Basic earnings (loss) per share	0.74	0.69	3.16

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Diluted earnings (loss) per share	0.72	0.65	2.94

The accompanying notes to the condensed consolidated financial statements are an integral part thereof.

ARGO PROPERTIES N.V.

Condensed Statements of Changes in Equity

For the three-month period ended March 31, 2026 (Unaudited)

	Equity Attributable to Shareholders of the Company					
	Share Capital	Share Premium	Statutory Equity Reserve (1)	Share-based Payment Equity Reserve	Retained Earnings	Total Equity Attributable to Shareholders
	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR
Balance as of January 1, 2026	218	287,447	175,195	5,279	30,275	498,414
Movements during report period:						
Exercise of warrants	5	-	-	-	-	5
Net and comprehensive profit	-	-	-	-	16,297	16,297
Classification according to Dutch law	-	-	13,677	-	(13,677)	-
Share-based payment cost	-	-	-	36	-	36
Balance as of March 31, 2026	**223**	**287,447**	**188,872**	**5,315**	**32,895**	**514,752**

For the three-month period ended March 31, 2025 (Unaudited)

	Equity Attributable to Shareholders of the Company					
	Share Capital	Share Premium	Statutory Equity Reserve (1)	Share-based Payment Equity Reserve	Retained Earnings	Total Equity Attributable to Shareholders
	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR
Balance as of January 1, 2025	206	276,041	114,774	5,024	23,372	419,417
Movements during report period:						
Net and comprehensive profit	-	-	-	-	14,212	14,212
Classification according to Dutch law	-	-	12,488	-	(12,488)	-
Share-based payment cost	-	-	-	133	-	133
Balance as of March 31, 2025	**206**	**276,041**	**127,262**	**5,157**	**25,096**	**433,762**

For the year ended December 31, 2025

	Equity Attributable to Shareholders of the Company					
	Share Capital	Share Premium	Statutory Equity Reserve (1)	Share-based Payment Equity Reserve	Retained Earnings	Total Equity Attributable to Shareholders
	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR	In thousands of EUR
Balance as of January 1, 2025	206	276,041	114,774	5,024	23,372	419,417
Exercise of warrants	12	11,406	-	-	-	11,418
Net and comprehensive profit	-	-	-	-	67,324	67,324
Classification according to Dutch law	-	-	60,421	-	(60,421)	-
Share-based payment cost	-	-	-	255	-	255
Balance as of December 31, 2025	**218**	**287,447**	**175,195**	**5,279**	**30,275**	**498,414**

The accompanying notes to the condensed consolidated financial statements are an integral part thereof.

ARGO PROPERTIES N.V.

Condensed Interim Consolidated Statements of Cash Flows

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Cash flows from operating activities			
Net profit (loss) for the period	16,297	14,212	67,324
Adjustments required to present cash flows from operating activities:			
Adjustments to profit and loss items:			
Finance expenses, net	4,887	1,190	12,887
Changes in fair value of investment property, net	(16,398)	(13,521)	(58,546)
Update of differences in conversion component of BONDS series 1	424	-	(106)
Share-based payment cost	36	133	255
Deferred taxes, net	1,920	2,693	(1,376)
Cash flows from operating activities before changes in operating asset and liability items	7,166	4,707	20,438
Changes in operating asset and liability items:			
Changes in apartment inventory	6,503	2,586	8,389
Other debit balances	(800)	(204)	682
Increase in creditors and credit balances	2,276	(490)	435
Net cash provided by operating activities	15,145	6,599	29,944
Cash flows for investing activities			
Acquisition of investment property	(27,530)	(23,479)	(86,519)
Capital expenditures (CAPEX) in investment property	(4,428)	(1,534)	(8,460)
Capital expenditures (CAPEX) for projects	(1,391)	(147)	(3,544)
Deposit of restricted deposits and prepaid transaction costs, net	4,281	5,042	(23,850)
Net cash used for investing activities	**(29,068)**	**(20,118)**	**(122,373)**
Cash flows for financing activities			
Interest paid, net	(2,077)	(1,356)	(10,527)
Receipt of long-term loans and convertible papers, net	16,799	-	117,226
Repayment of long-term loans and related costs	(8,276)	(1,392)	(9,978)
Purchase of interest rate cap (CAP) transactions/exercise of currency derivatives	(469)	-	(250)
Exercise of warrants	5	-	11,418

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Receipt of long-term loans within refinancing	32,355	-	3,500
Repayment of long-term loans within refinancing	(23,679)	-	-
Net cash provided by (used for) financing activities	**14,658**	**(2,748)**	**111,389**
Change in cash and cash equivalents	**735**	**(16,267)**	**18,960**
Effect of exchange rate changes	**1,398**	**(109)**	**58**
Balance of cash and cash equivalents at beginning of period	**46,549**	**27,531**	**27,531**
Balance of cash and cash equivalents at end of period	**48,682**	**11,155**	**46,549**

The accompanying notes to the condensed consolidated financial statements are an integral part thereof.

ARGO PROPERTIES N.V.

Condensed Consolidated Interim Statements of Cash Flows

(Continued)

Appendix A - Non-cash activities:

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	Thousands of Euros (unaudited)		Thousands of Euros (audited)
Acquisition of real estate	-	205	-
Classification from investment property to inventory	**7,178**	**1,573**	**16,782**
Payables in respect of investment activities	(272)	(45)	1,507

The accompanying notes to the condensed consolidated financial statements form an integral part thereof.

ARGO PROPERTIES N.V.

Notes to the Financial Statements

Note 1 - General

ARGO PROPERTIES N.V. (hereinafter - "the Company") was incorporated in January 2018 and commenced its operations in July 2018 and is a company resident in the Netherlands engaged, through held companies, in the improvement and acquisition of investment property in Germany, in the conversion and sale of apartments (R2C) and in the field of income-producing residential real estate.

These financial statements were prepared in a condensed format as of March 31, 2026 and for the three-month period ended on that date (hereinafter - condensed consolidated interim financial statements). These statements should be read in conjunction with the Company's annual financial statements as of December 31, 2025 and for the year ended on that date and the notes accompanying them (hereinafter - the annual consolidated financial statements).

Note 2 - Significant Accounting Policies

A. Format of Preparation of the Financial Statements:

The condensed consolidated interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as well as in accordance with the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

B. The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the annual consolidated financial statements.

Note 3 - Investment Property

The following are significant assumptions (on a weighted average basis) used in the valuations:

	As of March 31 2026	As of March 31 2025	As of December 31 2025
Income-producing residential real estate:			
Discount Rate (%)	5.18%	5.11%	5.15%
Growth rate for the first 10-year period	1.86%	1.50%	1.57%
Long-term growth rate	1.63%	1.83%	1.84%
Long-term Vacancy Rate (%)	2.21%	2.20%	2.28%
Representative monthly rent per sqm (in Euros)	12.74	11.97	12.42

Note 4 - Financial Instruments

A. Financial instruments not measured at fair value:

Management estimated that the balance of cash, short-term deposits, customers, suppliers, overdrawn balances, loans from banks bearing variable interest and other current liabilities presented at amortized cost approximates their fair value. As of the report date, the value of financial liabilities as of March 31, 2026, bearing fixed interest presented at amortized cost is approximately 15.6 million Euros lower than their balance in the financial statements. Furthermore, the fair value (Level 1) of the Company's BONDS Series 1 as of March 31, 2026, is 58 million Euros (presented in the Company's books at a total of 56.7 million Euros).

B. Financial instruments measured at fair value:

The table below presents the group's financial assets and financial liabilities presented at fair value:

	Fair Value		
	March 31		December 31
	2026	2025	2025
	Thousands of Euros	Thousands of Euros	Thousands of Euros
	(unaudited)	(unaudited)	(audited)
Financial derivatives	-	403	-
Financial assets (liabilities) (1)	5,338	(1,193)	2,524
	5,338	**(790)**	**2,524**
Conversion component of BONDS Series 1 (2)	(318)	-	106

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Specific valuation techniques for financial instruments include:

(1) The fair value of interest rate cap contracts (CAP), interest rate swap transactions (SWAP) and currency forward transactions (FORWARD) is based on calculating the present value of estimated future cash flows using an observable Euribor yield curve.

(2) The fair value of the conversion component as of December 31, 2025, was determined by an independent external appraiser and amounted to a total of approximately NIS 28.1 million. The fair value was determined using an integrated approach of bond valuation according to market interest on bonds with similar rating and duration and a Black-Scholes model with a standard deviation of 35.4%.

ARGO PROPERTIES N.V.

Notes to the Financial Statements

Note 5 - Operating Segments

A. General:

For a description of the Company's operating segments, see Note 16 to the Company's consolidated financial statements as of December 31, 2025.

B. Analysis of revenue and results by operating segments:

	For the three-month period ended March 31, 2026 (unaudited)				
	Income-producing residential real estate	Other	Conversion and sale of apartments	Unallocated	Total
	Thousands of Euros	Thousands of Euros	Thousands of Euros	Thousands of Euros	Thousands of Euros
Rental income	7,466	189			7,655
Property management and other income	3,835	17			3,852
Property management expenses	(3,835)	(17)			(3,852)
Maintenance costs of rental properties	(1,408)	(51)			**(1,459)**
Gross profit from property rental	**6,058**	**138**			**6,196**
Income from sale of apartments			9,026		**9,026**
Cost of sales of apartments			(6,503)		**(6,503)**
Gross profit from sale of apartments			**2,523**		**2,523**
General and administrative expenses					**(1,961)**
Changes in fair value of investment property, net	16,457	(59)			**16,398**
Finance expenses, net	(2,742)	(97)	-	(1,624)	**(4,463)**
Profit before income taxes					**18,693**

	For the three-month period ended March 31, 2025 (Unaudited)				
	Income-producing residential real estate	Other	Conversion and sale of apartments	Unallocated	Total
	EUR in thousands	EUR in thousands	EUR in thousands	EUR in thousands	EUR in thousands
Rental income from properties	6,552	176			6,728
Property management and other income	2,289	20			2,309
Property management expenses	(2,289)	(20)			(2,309)
Maintenance cost of rental properties	(1,156)	(27)			(1,183)
Gross profit from rental properties	**5,396**	**149**			**5,545**
Income from sale of apartments			789		789
Cost of sales of apartments			-		-
Gross profit from sale of apartments			**789**		**789**
General and administrative expenses				(1,705)	(1,705)
Changes in fair value of investment property, net	13,521				13,521
Finance expenses, net	(2,365)	(73)	-	1,194	(1,244)
Profit before income taxes					**16,906**

Note 5 - Operating Segments (Continued)

B. Analysis of income and results by operating segments: (Continued)

	For the year ended December 31, 2025				
	Income-producing residential real estate	Other	Conversion and sale of apartments	Unallocated	Total
	EUR in thousands	EUR in thousands	EUR in thousands	EUR in thousands	EUR in thousands
Rental income from properties	27,362	715			28,077
Property management and other income	10,564	72			10,636
Property management expenses	(10,564)	(72)			(10,636)
Maintenance cost of rental properties	(5,124)	(122)			(5,246)
Gross profit from rental properties	**22,238**	**593**			**22,831**
Income from sale of apartments			11,450		11,450
Cost of sales of apartments			(8,389)		(8,389)
Gross profit from sale of apartments			**3,061**		**3,061**
Changes in fair value of investment property, net	47,633	10,913			58,546
Additional Information					
General and administrative expenses					(5,584)
Finance expenses, net	(8,373)	(320)		(4,339)	(13,032)
Profit before income taxes					**65,822**

Note 6 - Material Events During and After the Reporting Period

A. During the period, the Company (through subsidiaries and sub-subsidiaries) completed the acquisition of 160 units in 14 properties, for a total consideration of approximately EUR 26,099 thousand.

In addition, the Company entered into additional transactions (including engagements after the date of the report) for the acquisition of 748 units for a total consideration of approximately EUR 122,117 thousand, out of which the Company completed after the date of the report, the acquisition of 66 units for a total consideration of approximately EUR 8,842 thousand.

B. In the months of January-April 2026, the Company entered into (sale contracts and registrations) for 49 units for a total financial amount of approximately EUR 11.9M. In 2025, the Company entered into (sale contracts and registrations) for 102 units for a total financial amount of EUR 25.4M compared to 40 apartments in 2024.

In the period from January 1, 2025 until March 31, 2026, 39 apartments were delivered to buyers (total of 85 units from the date of commencement of activity).

C. **Refinancing:** During 2026, the Company entered into agreements through sub-subsidiaries with German banking corporations, in cumulative loan volumes of EUR 76.7M for the refinancing of loans in a cumulative amount of approximately EUR 57M. The refinancing is possible thanks to the appreciation of the properties used as collateral for these loans. The new loans will be granted for periods of between 5 to 7 years, some at a variable interest rate and some at a fixed interest rate with margins between 1.25% to 1.6%. As of the report date, the withdrawal of loans totaling approximately EUR 32.5M for the refinancing of loans totaling EUR 22.7M was completed; this financing was done with the same financing entity.

Note 6 - Material Events During and After the Reporting Period (Continued)

In addition, the Company is in advanced negotiations with local banking corporations regarding the refinancing of loans whose original maturity date was set for the coming year, so that regarding the total balance presented as current maturities in the Company's consolidated reports as of the date of the report, the Company has engagements in various stages regarding refinancing.

D. **Financing for the purpose of acquiring new properties:** As of the date of signing the report, the Company through sub-subsidiaries, has binding engagements with German banking corporations in a total volume of approximately EUR 21.0 million for the purpose of financing the acquisition of new properties whose cost is expected to total approximately EUR 35M. The loans will be provided for a period of 5 years and will bear fixed interest at a rate of between 3.83% and 3.955%. A withdrawal of EUR 16.9 million was made in February 2026, the withdrawal of the remaining amount is expected upon completion of property acquisitions in the volume of approximately EUR 14.6 million, expected during the second quarter of 2026.

F. Expansion of BONDS series 1 – After the date of the financial position, on April 27, 2026, the Company allocated to classified investors (including Harel, Migdal and Phoenix, which are interested parties in the Company) 110,000,000 BONDS (Series 1) for a consideration of 105 agorot for each 1 NIS par value BONDS (Series 1) and for a total consideration of NIS 115,500,000. After the execution of the said private placements and as of the report publication date, the quantity of BONDS (Series 1) listed for trading totals NIS 310,000,000 par value BONDS (Series 1).

Presentation of financial data from the separate financial statements

Attributed to the Company itself

As of March 31, 2026

(EUR in thousands)

ARGO Properties N.V.

Presentation of financial data from the consolidated financial reports attributed to the company itself

As of March 31, 2026

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To the

Shareholders of ARGO Properties N.V.

Dear Sirs/Mmes.,

Special report of the independent auditors for the review of separate interim financial information according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information presented according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 of ARGO Properties N.V. (hereinafter - "the Company") as of March 31, 2026 and March 31, 2025, and for the three-month periods then ended. The Company's Board of Directors and Management are responsible for the preparation and presentation of this separate interim financial information in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on the separate interim financial information for this interim period based on our review.

Scope of Review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of separate interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the separate interim financial information for the aforementioned periods is not prepared, in all material respects, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Brightman Almagor Zohar & Co.

Accountants

A Firm in the Deloitte Global Network

Tel Aviv, May 18, 2026

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ARGO Properties N.V.

Amounts of assets and liabilities included in the consolidated reports attributed to the company

	As of March 31		As of December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Current Assets			
Cash and cash equivalents	35,769	8,727	43,888
Cash in trust	11,913	1,428	1,661
Restricted deposits and liquid investments	16,558	330	19,708
Debtors and other debit balances	-	96	1,750
Financial assets	4,506	-	2,524
	68,746	10,581	69,531
Non-current Assets			
Investment in held companies	595,551	478,763	572,853
Deferred taxes	2,320	673	1,513
	597,871	479,436	574,366
Total assets	**666,617**	**479,436**	**643,897**
Current Liabilities			
Creditors and credit balances	3,312	3,119	1,732
Convertible BONDS (*)	56,739	-	54,631
	60,051	3,119	56,363
Non-current Liabilities			
Loans from financial institutions	91,814	53,136	89,120
	91,814	53,136	89,120
Equity			
Share capital	223	206	218
Share premium	287,447	276,041	287,447
Capital reserve for share-based payment	5,315	5,157	5,279
Statutory capital reserve	188,872	127,262	175,195

	As of March 31		As of December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
Retained earnings	32,895	25,096	30,275
	514,752	433,762	498,414
Total equity and liabilities	**666,617**	**490,017**	**643,897**

May 18, 2026

Date of approval of the financial reports

Gal Tenenbaum	**Ron Tira**	**Guy Prial**	**Ofir Rahamim**
Co-CEO	Chairman of the Board of Directors	CFO	Co-CEO

(*) Due for repayment in one payment in December 2030 if the share conversion option is not exercised. Presented as short-term due to the share conversion option available to the holders.

ARGO Properties N.V.

Amounts of profit or loss and other comprehensive income included in the consolidated interim reports attributed to the company

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	In thousands of EUR	In thousands of EUR	In thousands of EUR
	(Unaudited)	(Unaudited)	(Audited)
General and administrative expenses, net of inter-company charges	(797)	(750)	(1,683)
Finance income (expenses), net	(1,865)	978	(3,430)

	For the three-month period ended March 31		For the year ended December 31
	2026 In thousands of EUR (Unaudited)	2025 In thousands of EUR (Unaudited)	2025 In thousands of EUR (Audited)
Taxes on income	807	(289)	783
Company's share in the profits of held companies	18,152	14,273	71,654
Net profit for the period	**16,297**	**14,212**	**67,324**

ARGO Properties N.V.

Cash flow amounts included in the consolidated reports attributed to the company

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	Thousands of Euro	Thousands of Euro	Thousands of Euro
	(Unaudited)	(Unaudited)	(Audited)
Cash flows from the company's operating activities:			
Net profit attributable to the company's shareholders	16,297	14,212	67,324
Adjustments required to present cash flows from the company's operating activities:			
Adjustments for profit and loss items of the company:			
Financing income (expenses), net	1,422	(1,354)	4,670
Share-based payment cost	36	133	255
Deferred taxes	(807)	289	(783)
Company's share in profits (losses) of investee companies	(18,152)	(14,273)	(71,654)
Changes in the company's assets and liabilities items:			
Decrease (increase) in accounts receivable and debit balances	1,750	(152)	(1,150)
Increase (decrease) in accounts payable and credit balances	1,580	665	277
Net cash (used for) provided by the company's operating activities	**2,126**	**(480)**	**(1,061)**
Cash flows from the company's investing activities			
Movement in restricted deposits and liquid balances	3,150	5,237	(14,375)
Investment in investee companies and prepaid expenses	(4,546)	(21,024)	(58,071)
Net cash used for the company's investing activities	**(1,396)**	**(15,787)**	**(72,446)**

	For the three-month period ended March 31		For the year ended December 31
	2026	2025	2025
	Thousands of Euro	Thousands of Euro	Thousands of Euro
	(Unaudited)	(Unaudited)	(Audited)
Cash flows from the company's financing activities			
Interest paid	-	-	(3,949)
Receipt of long-term loan, net	-	-	84,998
Issuance of shares and/or exercise of warrants, net	5	-	11,418
Net cash (used for) provided by the company's financing activities	**5**	**-**	**92,467**
Change in cash and cash equivalents	735	(16,267)	18,960
Effect of exchange rate changes	1,398	(109)	58
Cash and cash equivalents balance at the beginning of the year	45,549	26,531	26,531
Cash and cash equivalents balance at the end of the year	**47,682**	**10,155**	**45,549**

ARGO Properties N.V.

Data for the Financial Statements

1. General:

ARGO Properties N.V. (hereinafter - "the Company") was incorporated in January 2018 and began its operations in July 2018 and is a company resident in the Netherlands engaged through consolidated companies in the improvement and acquisition of investment real estate in Germany, in the conversion of apartments for sale and their sale (R2C) and in the field of income-producing residential real estate.

2. Accounting Policy:

The separate financial information of the Company is prepared in accordance with the accounting policy detailed in Note 2 to the consolidated financial statements of the Company.

The separate financial information of the Company is prepared in accordance with the provisions of Regulation 9C and the Tenth Schedule to the Securities Regulations (Periodic reports and Immediate Reports), 1970.

3. Cash and Cash Equivalents:

Cash equivalents are considered high-liquidity investments, including short-term deposits in banking corporations, whose original period does not exceed three months from the date of investment or exceeds three months from the date of investment but are immediately withdrawable without penalty, and constitute part of the Group's cash management. Out of the total cash of the solo Company, a total of approximately 12,924 thousand Euro is held in NIS.

During the first quarter of 2020, the Company signed a trust agreement with subsidiaries held by the Company through a chain (hereinafter in this note: "the Subsidiaries"). According to the said agreement, cash and cash equivalent balances in the Subsidiaries exceeding 50 thousand Euro will be held for the sole purpose of holding and managing cash balances in trust for the Company. The Company has the exclusive and unlimited ability to use the cash and cash equivalent balances held in accounts in the name of the Subsidiaries in trust for it at its discretion and regards these balances as cash balances used by and standing to the credit of the Company at any time.

4. Income Taxes:

For information regarding the Company's tax environment, see Note 9A to the consolidated financial statements of the Company. The solo Company has deferred tax assets as presented in the balance sheet in respect of current tax losses that can be utilized and carried forward.

5. Material events during and after the financial statement period:

Regarding material events related to loans and the Company's equity, see Notes 7 and 11 in the quarterly consolidated financial statements of the Company.

6. Liquidity Risk

Regarding maturity dates of convertible BONDS and the Company's loan from Mor, see Note 11G and Note 7 to the annual consolidated financial statements of the Company.

Quarterly report on the effectiveness of internal control over financial reporting and disclosure according to Regulation 38C(a):

Management, under the supervision of the Board of Directors of ARGO Properties N.V. (hereinafter "the Corporation"), is responsible for the determination and existence of adequate internal control over financial reporting and disclosure in the Corporation.

In this regard, the members of management are:

Gal Tenenbaum, Co-CEO;

Ofir Rahamim, Co-CEO;

Guy Prial, CFO (hereinafter: "the most senior officer in the field of finance");

Internal control over financial reporting and disclosure includes controls and procedures existing in the Corporation, which were designed by the Co-CEOs and the most senior officer in the field of finance or under their supervision, or by those who actually perform the said roles, under the supervision of the Corporation's Board of Directors, which are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the reports in accordance with the provisions of the law, and to ensure that information that the Corporation is required to disclose in the reports it publishes according to the provisions of the law is collected, processed, summarized, and reported on time and in the format prescribed by law.

Internal control includes, among other things, controls and procedures designed to ensure that information that the Corporation is required to disclose as stated, is accumulated and transferred to the Corporation's management, including the General Manager and the most senior officer in the field of finance or to those who actually perform the said roles, in order to allow decision-making at the appropriate time, with reference to disclosure requirements.

Due to its inherent limitations, internal control over financial reporting and disclosure is not intended to provide absolute assurance that a misleading presentation or omission of information in the reports will be prevented or discovered.

In the annual report on the effectiveness of internal control over financial reporting and disclosure which was attached to the Periodic report for the period ended December 31, 2025 (hereinafter **"the last annual report on internal control"**), the Board of Directors and Management evaluated the internal control in the Corporation; based on this evaluation, the Board of Directors and the Management of the Corporation reached the conclusion that the said internal control, as of December 31, 2025, is effective.

Until the date of the report, no event or matter has been brought to the attention of the Board of Directors and Management that would change the evaluation of the effectiveness of internal control, as presented in the framework of the last annual report on internal control;

As of the date of the report, based on the evaluation of the effectiveness of internal control in the last annual report on internal control, and based on information brought to the attention of Management and the Board of Directors as stated above, the internal control is effective.

Executives' Declaration

Declaration of General Manager

I, Gal Tenenbaum, declare that:

1. I have examined the quarterly report of ARGO Properties N.V. (hereinafter "the Corporation") for the first quarter of 2026 (hereinafter "the Reports");
2. To my knowledge, the reports do not include any incorrect representation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances in which those representations were included, will not be misleading with reference to the report period;
3. To my knowledge, the financial statements and other financial information included in the reports fairly reflect, in all material respects, the financial position, results of operations, and cash flows of the Corporation for the dates and periods to which the reports refer;

4. I have disclosed to the Corporation's auditing accountant, to the Board of Directors and to the Corporation's Audit and Financial Statements Committee, based on my most current evaluation regarding internal control over financial reporting and disclosure:

   a. All significant deficiencies and material weaknesses in the determination or operation of internal control over financial reporting and disclosure that are reasonably likely to adversely affect the Corporation's ability to collect, process, summarize or report financial information in a manner that casts doubt on the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of law; and also —

   b. Any fraud, whether material or not, involving the General Manager or those directly subordinate to him or involving other employees who have a significant role in internal control over financial reporting and disclosure;

5. I, alone or together with others in the Corporation:

   a. Determined controls and procedures, or ensured the determination and existence under my supervision of controls and procedures, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, is brought to my knowledge by others in the Corporation and in the consolidated companies, particularly during the period of preparation of the reports; and also —

   b. Determined controls and procedures, or ensured the determination and existence under my supervision of controls and procedures, designed to reasonably ensure the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of law, including in accordance with accepted accounting principles.

   c. No event or matter occurred during the period between the date of the last report (quarterly or periodic, as the case may be) and the date of this report, which would change the conclusion of the Board of Directors and Management regarding the effectiveness of internal control over financial reporting and disclosure of the Corporation.

Nothing in the above derogates from my responsibility or the responsibility of any other person, under any law.

Gal Tenenbaum, Co-CEO	Date: May 18, 2026

Management Statement
CEO Statement

I, Ophir Rahamim, declare that:

6. I have reviewed the quarterly report of Argo Properties N.V. (hereinafter the "Corporation") for the first quarter of 2026 (hereinafter the "Reports");

7. To the best of my knowledge, the Reports do not include any misrepresentation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances under which those representations were included, will not be misleading with respect to the period of the Reports;

8. To the best of my knowledge, the financial statements and other financial information included in the Reports fairly reflect, in all material respects, the financial position, results of operations, and cash flows of the Corporation for the dates and periods to which the Reports relate;

9. I have disclosed to the Corporation's auditing accountant, the board of directors, and the audit and financial statements committee of the Corporation's board of directors, based on my most current evaluation of the internal control over financial reporting and disclosure:

    c. All significant deficiencies and material weaknesses in the determination or operation of the internal control over financial reporting and disclosure that could reasonably adversely affect the Corporation's ability to collect, process, summarize, or report financial information in a manner that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law; and also —

    d. Any fraud, whether material or immaterial, involving the CEO or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure;

10. I, alone or together with others in the Corporation:

    d. Established controls and procedures, or ensured the establishment and existence under my supervision of controls and procedures, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, is brought to my knowledge by others in the Corporation and in the consolidated companies, particularly during the preparation period of the Reports; and also —

    e. Established controls and procedures, or ensured the establishment and existence under my supervision of controls and procedures, designed to provide reasonable assurance as to the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law, including in accordance with accepted accounting principles.

    f.

No event or matter has been brought to my attention that occurred during the period between the date of the last report (quarterly or periodic, as applicable) and the date of this report, which would change the conclusion of the board of directors and management regarding the effectiveness of the internal control over financial reporting and disclosure of the Corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, according to any law.

Ophir Rahamim, Co-CEO	Date: May 18, 2026

<u>The following is the statement of the most senior officer in the field of finance</u>

I, Guy Prial, declare that:

1. I have reviewed the interim financial statements and the other financial information included in the reports for the interim period of <u>Argo Properties N.V.</u> (hereinafter: **"the Corporation"**) for the first quarter of 2026 (hereinafter: **"the Reports"** or **"the interim reports"**);

2. To the best of my knowledge, the interim financial statements and other financial information included in the interim reports do not include any misrepresentation of a material fact, and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances under which those representations were included, will not be misleading with respect to the report period;

3. To the best of my knowledge, the interim financial statements and other financial information included in the interim reports fairly reflect, in all material respects, the financial position, results of operations, and cash flows of the Corporation for the dates and periods to which the Reports relate;

4. I have disclosed to the Corporation's auditing accountant, the board of directors, and the audit and financial statements committee of the Corporation's board of directors, based on my most current evaluation of the internal control over financial reporting and disclosure:

   a. All significant deficiencies and material weaknesses in the determination or operation of the internal control over financial reporting and disclosure, as it relates to the interim financial <u>statements</u> and other financial information included in the interim reports, that could reasonably adversely affect the Corporation's ability to collect, process, summarize, or report financial information in a manner that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law; and also –

   b. Any fraud, whether material or immaterial, involving the CEO or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure.

5. I, alone or together with others in the Corporation –

   a. Established controls and procedures, or ensured the establishment and existence under our supervision of controls and procedures, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, is brought to my knowledge by others in the Corporation and in the consolidated companies, particularly during the preparation period of the Reports; and also –

   b. Established controls and procedures, or ensured the establishment and existence under my supervision of controls and procedures, designed to provide reasonable assurance as to the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law, including in accordance with accepted accounting principles;

   c. No event or matter has been brought to my attention that occurred during the period between the date of the last report (quarterly or periodic, as applicable) and the date of this report, relating to the interim financial statements and any other financial information included in the interim reports, which would change, in my assessment, the conclusion of the board of directors and management regarding the effectiveness of the internal control over financial reporting and disclosure of the Corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, according to any law.

Guy Prial, CFO Date: May 18, 2026