

AURA INVESTMENTS LTD.

("The Company")

August 25, 2025

To:

Israel Securities Authority

www.isa.gov.il

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

Subject: Investment Agreement of PHOENIX INSURANCE LTD. in Aura Commercial Centers Ltd. at a valuation of NIS 800 million (post-money) in exchange for NIS 140 million for an allocation of shares (17.5%)

The Company is pleased to announce that the Company, Aura Renewing Israel Ltd. (a wholly owned subsidiary of the Company) ("Aura Israel"), and Aura Commercial Centers Ltd. (a wholly owned subsidiary of Aura Israel) ("Aura Commercial Centers"), have entered into an agreement with PHOENIX INSURANCE LTD. and Phoenix Pension and Provident Ltd. (together: "Phoenix") for an investment agreement whereby Phoenix will invest approximately NIS 140 million in Aura Commercial Centers, and in return, Aura Commercial Centers will allocate to Phoenix shares that will constitute 17.5% of the issued and paid-up share capital of Aura Commercial Centers (the "Investment Amount" and the "Investment Agreement").

The Investment Agreement

The completion of the Investment Agreement is subject to the completion of due diligence by Phoenix as well as customary conditions precedent, including the approval of third parties, including financiers.

The investment reflects a post-money valuation for Aura Commercial Centers of NIS 800 million.

Aura Commercial Centers was established in 2024 to consolidate the income-producing real estate activities of the Company and Aura Israel, including the development of income-producing assets within residential projects initiated and constructed by the Company and Aura Israel. Aura Commercial Centers currently holds 22 assets at various stages, and a mechanism has been established for the transfer of all future commercial assets in the Company to Aura Commercial Centers according to criteria agreed upon by the parties.

The Company estimates that the investment will have a positive impact on the financial position of Aura Commercial Centers. Upon the injection of the Investment Amount, the equity of the Company and Aura Commercial Centers is expected to increase by approximately NIS 140 million, which will improve the strength and liquidity of Aura Commercial Centers and contribute to reducing future financing costs. In addition, the Investment Amount will be used by Aura Commercial Centers to finance the initiation, acquisition, development, and construction of projects including rights and income-producing areas, as well as to finance its ongoing operations.

Furthermore, the implementation of the development plan funded by the investment is expected to lead to the expansion of the business activities of Aura Commercial Centers and the realization of the Company's strategy regarding an income-producing real estate arm that will provide stable long-term cash flow to the Aura Group.

Additionally, the Company sees significant value in strengthening the business and strategic relationship with Phoenix and executing a third partnership transaction between the companies.

The Investment Amount will be invested by Phoenix in two tranches:

- The first tranche of NIS 70 million will be made at the closing of the transaction in exchange for the allocation of shares constituting 10% of the issued and paid-up share capital of Aura Commercial Centers.
- The second tranche of an additional NIS 70 million will be made at the second closing (which will occur 12 months from the first closing), in exchange for the allocation of additional shares constituting 7.5% of the issued and paid-up share capital of Aura Commercial Centers.

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

2. At the first closing, Aura Israel, Aura Commercial Centers, and Phoenix will enter into a shareholders' agreement (the "Agreement") that regulates the relationship between them as shareholders in Aura Commercial Centers. The Agreement includes customary provisions for the protection of minority rights, including protective rights for Phoenix in certain decisions as customary in such agreements, and the right for Phoenix to appoint an observer to the board of directors of Aura Commercial Centers and its subsidiaries. The Agreement also includes customary restrictions on the transfer of shares in Aura Commercial Centers. The shares allocated to Phoenix will not grant it the right to appoint a director or management rights in Aura Commercial Centers.

The Agreement includes a commitment by Aura Israel and Aura Commercial Centers that there will be no change of control in Aura Israel and/or Aura Commercial Centers for a period of 8 years after the date of the second closing.

The Agreement includes the shareholders' agreement to act so that Aura Commercial Centers will be offered to the public within 66 months after the completion of the payment for the shares, at a company valuation not less than NIS 800 million plus an annual return linked to the increase in the Consumer Price Index plus interest at a rate of 5%.

Forward-Looking Information Warning: The completion of the Investment Agreement and other projected data and estimates in this report above constitute forward-looking information, as defined in the Securities Law, 1968, based on the Company's estimates as of this date regarding information about future events, the occurrence of which is not certain and is not under the exclusive control of the Company, and therefore may not occur or may occur in a materially different manner than estimated by the Company.

Sincerely,

Yaakov Atrakchi, CEO

Ariel Pashin, CFO