

December 24, 2025

**Azrieli Group Ltd.  
(the Company)**

To:  
Israel Securities Authority  
Via the MAGNA system

To:  
Tel Aviv Stock Exchange Ltd.  
Via the MAGNA system

G.A.N.,

**Subject: Engagement of a joint company in a financing agreement for data centers campus in Frankfurt area, Germany**

Further to the immediate report of the company dated August 10, 2025 (the previous report),<sup>1</sup> the Company is honored to update that on December 23, 2025, the joint company (as defined in the previous report) entered into an agreement with financing bodies for the receipt of financing for the project (as defined in the previous report) on a non-recourse basis, in a total amount of 592 million euros (the company's total share is about 296 million euros<sup>2</sup>) (the Loan and the Financing Agreement, as applicable).<sup>3</sup>

The loan bears a variable interest rate based on the EURIBOR plus a margin determined in the financing agreement. In general, the interest will be paid monthly until the completion of the campus construction, and thereafter the interest will be paid every three months. The principal of the loan (except for immaterial periodical payments) will be due for repayment in one payment five years from the date of signing the financing agreement, subject to and in accordance with the terms of the financing agreement.

The financing agreement includes additional customary arrangements, including customary preconditions by the joint company for drawing the loan; the option for early repayment by the joint company; financial covenants;<sup>4</sup> ancillary credit costs as customary (non-utilization fee, arrangement fee, etc.); a guarantee by the Company for certain obligations of the joint company in proportion to its share (50%), mainly regarding the provision of the required capital for the construction of the project and cost overruns in the construction; and securities.

Sincerely,

**Azrieli Group Ltd.**

Signed by: Adv. Nirit Ze'evi, VP, General Counsel, and Company Secretary

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<sup>1</sup>  
See the immediate report of the company dated August 10, 2025 (reference no.: 2025-01-058928) as well as Section 2.13 of the Board of Directors' report of the company as of September 30, 2025, as published on November 26, 2025 (reference: 2025-01-092354), the content of which is included in this report by way of reference.

<sup>2</sup>  
It should be noted that the conclusion of the financing agreement does not constitute a reportable credit event (as such term is defined in the Israel Securities Authority staff position 104-15).

<sup>3</sup>  
The amount of the loan includes a total of 192.5 million euros (the company's share is about 96.25 million euros) designated for the construction and supply of an additional 18 MW to the client, subject to the exercise of the option by it, as detailed in the previous report. This portion of the loan will be extended to the joint company subject to the client exercising the option and signing a suitable agreement with it in this respect. Furthermore, 40 million euros out of the total size of the loan will serve as a revolving credit facility.

<sup>4</sup>  
As of this date, and to the best of the company's knowledge, the joint company is meeting the financial covenants stipulated in the financing agreement.