

# BLUE SQUARE REAL ESTATE LTD

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**Registry Number:** 513765859

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**To:** Israel Securities Authority

**To:** Tel Aviv Stock Exchange Ltd.

**Form Number:** T081 (Public)

**Sent via MAGNA:** 03/09/2025

**ISA Website:** [www.isa.gov.il](http://www.isa.gov.il)

**TASE Website:** [www.tase.co.il](http://www.tase.co.il)

**Reference:** 2025-01-066541

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## Immediate Report on Cash Dividend Distribution for Securities

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### Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

1. We hereby report that on the date 02/09/2025, it was decided to pay a dividend.
2. Record date (ex-date): 11/09/2025  
  
Payment date: 29/09/2025
3. Payment details:
  - Dividend distributed from an Israeli resident company (for the composition of the dividend sources and tax rates, see section 7A)
  - Dividend distributed by a Real Estate Investment Trust (for the composition of the dividend sources and tax rates, see section 7C)

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Eligible Security Number	Security Name	Dividend Amount per Security	Dividend Amount Currency	Payment Currency	Representative Rate for Payment Date	Individual Tax %	Corporate Tax %
1098565	Ordinary Shares	12.2959255	NIS	NIS		25	0

- Dividend distributed from a foreign resident company (for tax rates, see section 7B)

**Note:** The dividend amount to be paid must be specified to an accuracy of up to 7 digits after the decimal point when the dividend amount currency is NIS, and up to 5 digits after the decimal point if the dividend amount currency is another currency.

4. The total amount of the dividend to be paid is: 150,000,000 NIS.
5. The remaining profits of the corporation as defined in section 302 of the Companies Law, 1999, after the distribution subject to this report, are: 3,479,971,000 NIS.
6. Dividend distribution approval process:

The distribution was approved by the Board of Directors. For more details, see section 10 below.

The above distribution is not subject to court approval according to section 303 of the Companies Law: No

The final dividend amount per share is subject to changes due to: \_\_\_\_\_

**Note:** The final dividend amount per share can be updated up to 2 trading days before the record date.

7. The withholding tax rates detailed below are for the purpose of withholding tax by TASE members.

**7A. Composition of dividend sources distributed from an Israeli resident company from shares and financial instruments, excluding REIT funds.**

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	% of Dividend	Individuals	Companies	Foreign Residents
Income subject to corporate tax (1)	100	25%	0%	25%
Income originating overseas (2)	0	25%	23%	25%
Income from approved/preferred enterprise (3)	0	15%	15%	15%
Income from Irish privileged enterprise until 2013 (4)	0	15%	15%	4%
Income from Irish privileged enterprise from 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income from approved tourism/agricultural enterprise (6)	0	20%	20%	20%
Income from approved/preferred enterprise that submitted a waiver notice (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by Participating unit	0	0	0	0
Other	0	0	0	0

**Explanation:**

(1) Income subject to corporate tax – income from profit distribution or dividend originating from income produced or accrued in Israel, received directly or indirectly from another entity subject to corporate tax.

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- (2) Income originating overseas is income produced or accrued abroad and not taxed in Israel.
- (3) Including income from a preferred tourism enterprise with a selection/operation year up to 2013.
- (4) Irish privileged enterprise with a selection year up to 2013.
- (5) Irish privileged enterprise with a selection year from 2014 onwards.
- (6) Including income from a preferred tourism enterprise with a selection/operation year from 2014 onwards.
- (7) Approved or preferred enterprise that submitted a waiver notice by 30.6.2015, after corporate tax was deducted.

**7B. Dividend distributed from a foreign resident company**

	Individuals	Companies	Foreign Residents
Dividend from a foreign resident company	25%	23%	0%

**7C. Dividend distributed by a Real Estate Investment Trust**

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	% of Dividend	Individuals (1)	Companies	Foreign Resident Companies	Exempt Trust Fund	Pension Fund (2)
From real estate appreciation, capital gain, and depreciation (3)	_____	25%	23%	23%	0%	0%
Other taxable income (e.g., rent)	_____	47%	23%	23%	23%	0%
From income-producing real estate for rental housing	_____	20%	20%	20%	0%	0%
Income taxed by the fund (4)	_____	25%	0%	25%	0%	0%
Extraordinary income	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
Weighted withholding tax %	100%	_____	_____	_____	_____	_____

**Explanation:**

(1) Individuals – including taxable trust fund income, foreign resident individuals.

- (2) Pension fund for pension, provident, or compensation as defined in the Income Tax Ordinance, as well as a pension fund or foreign pension fund resident in a reciprocating country.
- (3) From real estate appreciation or capital gain, except from the sale of real estate held for a short period, and from income in the amount of depreciation expenses.
- (4) Distribution from income taxed by the fund according to section 64A4(e).
8. Number of dormant securities of the corporation not entitled to dividend payment and for which a waiver letter must be provided to receive the dividend payment: \_\_\_\_\_
9. Effect of the dividend distribution on convertible securities:
- The company has no convertible securities.
  - The dividend distribution has no effect on convertible securities.
  - The effect of the dividend distribution on convertible securities is as follows: \_\_\_\_\_

Security Name	Security Number	Remarks
_____	_____	_____

10. Recommendations and decisions of the directors regarding the dividend distribution according to Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970:

1. The company's Board of Directors examined the company's compliance with the profit test and the solvency test as set out in section 302(a) of the Companies Law, 1999, and following this examination, approved the company's compliance with these tests regarding the dividend distribution, based, among other things, on the company's financial statements as of June 30, 2025, and additional information presented to it, as well as the management's review; 2. Regarding the profit test, the Board approved the said dividend distribution based on the distributable profit balance according to the company's reviewed financial statements as of June 30, 2025, which exceeds the dividend amount. 3. Regarding the solvency test, the Board examined, among other things, the following data: the company's financial position, including liquidity balances, debt balances, and net debt; the company's expected future cash flows; cash flow from operating activities from income from income-producing real estate assets; the distribution of the company's debt payments; additional financing sources available to the company, including fundraising ability (considering the volume of unencumbered assets at the examination date and the company's proven ability in recent years to raise debt to finance its activities), realization of investments, and loan repayments from subsidiaries; and the company's compliance with financial covenants it has committed to. In addition, the Board examined, as part of the solvency test, the implications of the dividend payment on the company's financial position and liquidity, on its ongoing operations, including its impact on the company's investment plans, capital structure, and leverage level (including its credit rating). After reviewing the data presented, the Board determined that, in its assessment, there is no reasonable concern that the distribution will prevent the company from meeting its existing and expected obligations as they become due; 4. In the Board's assessment, based on the information and data presented, the dividend distribution will not materially adversely affect the company's financial position, including its capital structure, leverage level, liquidity, or its ability to continue operating in its current business format; the expected data and assessments above are forward-looking information as defined in the Securities Law, 1968, based, among other things, on the company's annual forecast analysis according to current data, including expected income from rent for existing lease agreements and the expectation of renewing existing agreements or leasing vacant spaces. These expectations and assessments may not materialize, in whole or in part, or may materialize in a materially different manner than anticipated, among other things, due to changes in capital market conditions, inflation rate, exchange rates, the various markets in which the company and its subsidiaries operate, political and security changes, and regulatory changes that may affect the activities of the company and its subsidiaries, as well as the realization of any of the risk factors detailed in section 21 of Part A of the company's periodic report for 2024.

**Authorized signatories for the corporation:**

Name	Position
Arthur Lashinsky	CEO

**Note:** According to Regulation 5 of the Periodic and Immediate Reports Regulations (1970), a report submitted under these regulations must be signed by those authorized to sign on behalf of the corporation. The staff's position on the matter can be found on the Authority's website: [Click here](#).

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**Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange**

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**Company Website:** -

**Previous names of the reporting entity:**

**Electronic Signatory Name:** Hagar Greenboim Yocheved

**Position:** Deputy CEO Legal Counsel and Company Secretary

**Employer Company Name:**

**Address:** Menachem Begin Road 132, Tel Aviv, 6701101

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