

BLUE SQUARE REAL ESTATE LTD

Registry Number: 513765859

To: Israel Securities Authority
To: Tel Aviv Stock Exchange Ltd.
Form Number: T053 (Public)
Sent via MAGNA: 18/09/2025
Israel Securities Authority Website: www.isa.gov.il
Tel Aviv Stock Exchange Website: www.tase.co.il
Reference: 2025-01-070422

Immediate Report on an Event or Matter Deviating from the Corporation's Ordinary Business

Regulation 36 of the Securities Regulations (Periodic and Immediate Reports), 1970

The results of an issuance should be reported in T20 and not in this form.
Reporting on bond ratings or corporation ratings should be submitted via Form T125.

Report on:
[] Delayed report submission

Nature of the Event:

Engagement with a tenant in the office section of the Tzomet Haaretz project, Tel Aviv

1.

Further to the provisions of section 5 in chapter A of the Q2 2025 report of BLUE SQUARE REAL ESTATE LTD (the "Company") (Reference No.: 2025-01-064644), the content of which is incorporated herein by reference, the Company is pleased to update as follows:

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The Company has entered into a lease agreement with a third party that is not a related party to the Company (the "Tenant") for the lease of several office floors in the office section of the Tzomet Haaretz project, Tel Aviv (respectively: the "Lease Agreement", "Tzomet Haaretz Project", and the "Leased Premises"). For details regarding the office section of the Tzomet Haaretz project, see section 8.5.2 of chapter A (Description of the Corporation's Business) of the 2024 annual report published on 30.3.2025 (Reference No.: 2025-01-021936) ("Chapter A of the 2024 Annual Report"), which is incorporated herein by reference.

As detailed in section 9.6 of chapter A of the 2024 annual report, the Tzomet Haaretz project is a mixed-use project. According to the joint agreement signed between the partners who are the rights holders in this project, the Company was allocated all the office areas, the commercial areas in the southern building, and proportional areas in the leased parking lot (hereinafter and hereafter: "the office section of the Tzomet Haaretz project").

The office section of the Tzomet Haaretz project includes an area of approximately 32,000 sqm of offices and commerce. Below are the main terms of the lease according to the Lease Agreement:

- **Details of the Leased Premises:** Several office floors totaling approximately 15,000 sqm in the office section of the Tzomet Haaretz project, with the Tenant having the right, for 24 months from the signing date, to notify of their desire to lease up to an additional approximately 5,000 sqm (the "Option Areas"). The Lease Agreement includes additional areas for various uses such as parking.
- Upon signing the Lease Agreement with the Tenant as stated, there are no remaining office floors in the Tzomet Haaretz project for which there is no engagement. [*]
- **Lease Periods:** The initial lease period will commence from the date of handover as set in the agreement and will last for 6.5 years. Afterward, the Tenant is granted an option to extend the engagement for two additional periods of 3.5 years and 3 years (the "Option Periods"). The expected revenues to the Company from the Tenant for each lease period (including the Option Periods) are approximately NIS 500 million. Additionally, if the Tenant exercises the right regarding the Option Areas, the Company will receive an additional income of approximately NIS 150 million (including the Option Periods).
- The Company's estimates regarding its expected revenues from the Lease Agreement and its completion constitute "forward-looking information" as defined in the Securities Law, 1968, and may not materialize, or may materialize in a materially different manner, including as a result of events beyond the Company's control, including the non-existence of the Lease Agreement as expected. [*]
- Further to the immediate report of the Company dated April 7, 2024, and as stated in section 1.3.3.4 of the Board of Directors' report attached as chapter B to the Company's annual report for 2024 dated March 30, 2025 (Reference Nos.: 2024-01-039093 and 2025-01-021936, respectively), regarding the determination of lease terms under which companies from the Alon Blue Square group would lease offices in the Tzomet Haaretz project, the Company is pleased to update that in light of the leasing of the areas in the Tzomet Haaretz project as detailed in this report above, as of the date of this report, the Company does not intend to lease offices to companies from the Alon Blue Square group as stated.

2.

The date and time the corporation first became aware of the event or matter:
17/09/2025 at 12:00.

3.

If the report was delayed - the reason for the delay:

4.

On date: _____ at time: _____ the impediment to reporting was removed.

5.

[] The company is a shell company as defined in the Stock Exchange regulations.

Details of the authorized signatories on behalf of the corporation:

#	Name	Position
1	Arthur Lashinsky	CEO

Explanation: 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](#).

Reference numbers of previous documents on the subject (the mention does not constitute incorporation by reference):

The corporation's securities are listed for trading on the Tel Aviv Stock Exchange

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Company website: -

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Previous names of the reporting entity:

Electronic reporter's name: Hagar Yocheved Greenboim

Position: VP Legal Counsel and Company Secretary

Employer company name:

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Form structure update date: 06/08/2024