

December 24, 2025

To:
Israel Securities Authority
www.isa.gov.il

To:
Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Dear Sir/Madam,

Subject: Examination of the possibility of issuance by way of expanding the company's bonds series

Blue Square Real Estate Ltd. (the "Company") is honored to announce that it is examining the possibility of expanding Bond Series 9 of the Company (the "Bonds"), in a total par value of up to NIS 350 million, by way of issuance to the public according to a shelf offering report to be published by the Company, if and as it may be published, pursuant to the Company's shelf prospectus dated February 28, 2023, as published on February 27, 2023 (Reference No.: 2023-01-018340), whose validity was extended until February 27, 2026 (Reference No.: 2025-01-011578) (the "Shelf Prospectus").

The Bonds (Series 9) were first listed for trading on the Tel Aviv Stock Exchange Ltd. (the "Stock Exchange"), according to a shelf offering report published by the Company on March 25, 2021 (Reference No.: 2021-01-045054) (the "Initial Offering Report of Series 9"), which is incorporated herein by reference.

For details regarding the terms of the Bonds (Series 9), please refer to the deed of trust attached to the Initial Offering Report of Series 9, which is incorporated herein by reference.

The Company intends to hold, on December 25, 2025, a tender for classified investors¹ (the "Institutional Tender"). The classified investors will be entitled to an early commitment fee at the rate of 0.5% of the total consideration received for the bond units for which the classified investors have committed to submit requests in the public tender as part of the early commitment. No minimum price has been set for order submissions as part of the institutional tender.

For the avoidance of doubt, it is emphasized that the decision to make the offering, its structure, timing, scope, and terms have not yet been determined, and the offering, if made, is subject to the discretion of the Company, among other things, in light of changing market conditions, and will be subject to the approval of the Company's board of directors at its discretion.

Nothing stated above shall be deemed to constitute an indication or create any obligation on the part of the Company to carry out the offering. The execution of the offering and the publication of the final shelf offering report are subject, among other things, to the receipt of all approvals required by law, including final board approval as aforesaid, to the approving of the Stock Exchange for listing the Bonds to be issued (if any), to the satisfaction of the conditions outlined in the deed of trust signed in connection with the Bonds (Series 9), and dependent on changing market conditions. Therefore, as of the date of this report, there is no certainty as to the execution of the offering, its timing, scope, or terms, and nothing in this report shall constitute any obligation of the Company to issue said Bonds.

Nothing in this report constitutes an offer to the public or an invitation to purchase securities of the Company.

Respectfully,

Blue Square Real Estate Ltd.

By: Mr. Arthur Leshinsky, CEO

¹ As defined in the Securities Law, 1968, and in the Securities Regulations (Manner of Offering Securities to the Public), 2007.