

# G CITY LTD (the "Company")

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To:

Israel Securities Authority

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

Tel Aviv Stock Exchange Ltd.

[www.tase.il](http://www.tase.il)

October 21, 2025

Dear Sir/Madam,

## Re: Immediate Report - Expansion of Bond Series (Series 14) by Way of Private Placement

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The Company is pleased to announce that on October 21, 2025, the Company entered into an agreement with classified investors, who are among the investors listed in the First Schedule to the Securities Law, 1968 (the "Offerees" and the "Securities Law", respectively), for a private issuance of NIS 298,247,000 par value of bonds (Series 14, registered in the name, par value of NIS 1 each) of the Company (the "Additional Series 14 Bonds"), by way of expanding the Company's Series 14 bonds, which are listed for trading on the Tel Aviv Stock Exchange Ltd. (the "Stock Exchange" and the "Private Placement", respectively), all as detailed below:

- 1.** The issuance of the Additional Series 14 Bonds will be made (subject to the fulfillment of additional conditions, as detailed in this report below) at a price of 101 agorot for each NIS 1 par value of Series 14 Bonds, for a total (gross) consideration of approximately NIS 301.2 million.
- 2.** The terms of the Additional Series 14 Bonds to be allocated to the Offerees will be identical to the terms of the Series 14 Bonds in circulation, which were first issued and listed for trading according to the shelf offering report published by the Company on January 13, 2020 (Reference No.: 2020-01-005388) (the "Shelf Offering Report") and the Company's shelf prospectus dated May 29, 2018, and in accordance with the trust deed attached as Appendix B to the aforementioned Shelf Offering Report (the "Trust Deed").
- 3.** As of the date of this report, the par value of the Series 14 Bonds is NIS 1,388,358,554. After the completion of the private allocation as stated in this report, the par value of the Series 14 Bonds will be NIS 1,686,605,554 par value.

- 4.** The Additional Series 14 Bonds to be allocated according to this report will, from the date of their registration for trading on the Stock Exchange, constitute a single series for all intents and purposes together with the Series 14 Bonds in circulation. The Trust Deed will apply to the Additional Series 14 Bonds, and from their issuance date, they will be subject to the same terms as the existing Series 14 Bonds. The additional bonds will be entitled to principal payments starting from the principal payment due on September 30, 2029, and to interest payments starting from the interest payment due on March 31, 2026.
- 5.** The Additional Series 14 Bonds to be allocated according to this report will be registered in the Company's securities register in the name of Mizrahi Tefahot Registration Company Ltd.
- 6.** The bonds issued under this report will, after their allocation, be subject to resale restrictions in accordance with the provisions of Section 15C of the Securities Law and the provisions of the Securities Regulations (Details regarding Sections 15A to 15C of the Law), 2000.
- 7.** The Series 14 Bonds in circulation were first issued according to a shelf offering report without a discount. The series was expanded during the months of April 2020, October 2021, July 2024, November 2024, and June 2025 at various discount rates. The adjusted value of the Series 14 Bonds as of the date of this immediate report is 117.37 agorot for each

**1.** NIS par value of Series 14 Bonds.

The Series 14 Bonds issued as part of the private placement under this report are issued at a price per bond lower than the aforementioned adjusted value, and therefore, they will be issued at a discount of approximately 13.95978%. On April 22, 2020, the Company received approval from the Tax Authority for the method of calculating the weighted discount for the bonds, according to which a uniform discount rate will be set for the bonds based on a formula that weights the various discount rates in this series. According to Section 5.6 of Appendix A to the Shelf Offering Report, the weighted discount rate that will apply after the private placement of all Series 14 Bonds of the Company in circulation will be 9.06483% (whereas the weighted discount rate before the expansion of the series was 8.54247%).

**8.** For the purpose of the private placement as detailed in this immediate report, the Company meets the financial covenants detailed in the Trust Deed (Series 14) and its other obligations under the Trust Deed for the purpose of expanding the series (subject to the completion of the conditions detailed below).

**9.** Completion of the issuance is subject to receiving the rating company's approval for the rating of the Series 14 Bonds, which will take into account the additional bonds the Company intends to issue, at a rating not lower than the current rating of the existing Series 14 Bonds. The Company is working to obtain the rating company's approval.

**10.** The private placement is subject to receiving the Stock Exchange's approval for the listing of the additional Series 14 Bonds. The Company will apply to the Stock Exchange for the listing of the additional Series 14 Bonds as stated shortly after the publication of this report.

**11.** The private placement will be carried out shortly after the fulfillment of the conditions detailed above.

**12.** The Company will provide the Stock Exchange with a legal opinion from a lawyer qualified under the laws of the State of New York, stating, among other things, that under U.S. law, the allocation of the additional bonds under this report does not require registration under the United States Securities Act of 1933, and that resale on the Stock Exchange of the offered bonds can be made without imposing any restriction regarding the holding period of the said bonds or any other restriction under U.S. securities laws. In addition, the Offerees have declared that they are not U.S. Persons.

Respectfully,

G CITY LTD

**FOOTNOTE:**

<sup>201</sup> Signed by Gil Kotler, CFO, and Revital Kahlon, VP, Legal Advisor and Company Secretary.