

G City Ltd. (the Company)

To:
Israel Securities Authority
Via MAGNA

To:
Tel Aviv Stock Exchange Ltd.
Via MAGNA

November 3, 2025

Acquisition of Shares in the Subsidiary Company (CTY) Citycon Oyj and a Mandatory Full Tender Offer by the Company

Dear Sir/Madam,

The Company is pleased to report that on November 3, 2025 it purchased 14,188,052 shares of Citycon Oyj, a subsidiary of the Company whose shares are traded on the Helsinki Stock Exchange, Finland (CTY), constituting about 7.7% of CTY's share capital, for a price of EUR 4 per share (a total of approximately EUR 56.75 million). The shares were purchased as an off-market transaction (the Share Acquisition Transaction).

Following the acquisition, the Company's holdings in CTY (including through a wholly owned subsidiary) now amount to approximately 57.4% of CTY's issued share capital (about 56.5% on a fully diluted basis).

According to Finnish law, since the Company's holdings have crossed the threshold of 50% of CTY's share capital, the Company is required to submit a tender offer to acquire all of CTY's minority shares, at a price that shall not be less than the price paid in the Share Acquisition Transaction, by December 2, 2025.

Accordingly, the Company has notified CTY and its shareholders that it will publish a tender offer in which it will propose to purchase all of the minority shares in CTY (including securities convertible into CTY shares) at a price of EUR 4 per share (the Tender Offer), and should there be full participation—the total consideration to CTY's shareholders in the Tender Offer will amount to approximately EUR 312 million¹. The Tender Offer is subject to approval from the Finnish Financial Supervisory Authority.

The Company intends to finance the Share Acquisition Transaction and the Tender Offer from its own resources. In parallel, the Company is negotiating with an Israeli banking institution to obtain financing of up to EUR 195 million for the purchase of additional shares to be acquired in the Tender Offer (if they are indeed acquired) (however, such financing is not a condition for completion of the acquisitions under the Tender Offer).

CTY is the owner, developer, and manager of urban shopping centers anchored by supermarkets in major cities in Finland, Norway, Sweden, Denmark, and Estonia. As of September 30, 2025, it owns 31 assets with a total built leasable area of approximately 1 million sqm.

To the minority shareholders in CTY;

Update on the Company's progress regarding the issuance of assets located in Poland

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¹ Plus the consideration required to be paid to holders of warrants and restricted share units, in accordance with their terms.

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For a description of CTY’s activities, see section 6 of the Company’s periodic report² as well as CTY’s financial statements as of September 30, 2025, as published by the Company on November 2, 2025.³

The CTY shares purchased in the share acquisition transaction were purchased at a consideration reflecting a discount of approximately 44% to the book equity of CTY as of September 30, 2025. Accordingly, the share purchase is expected to increase the Company’s equity by approximately NIS 171 million, improve FFO, and make a negligible change in the leverage ratio.

The consideration in the share acquisition transaction reflects a premium of 35.8% over the closing price of the CTY share as of October 31, 2025, and premiums of 18.9% and 17.6% over the average closing prices of the CTY share during the 3 and 12 months preceding October 31, 2025, respectively.

The Company’s progress in asset realization through a public offering

Additionally, further to the Company's notice in section 1.3 of the Board of Directors' report as of June 30, 2025⁴, the Company is pleased to report that it has established a wholly owned subsidiary, Orion Commercial Properties Ltd. (Orion), to which it intends to transfer three yielding properties in Poland, with a total value (as of June 30, 2025) of approximately EUR 450 million. The Company has submitted to the Israeli Securities Authority a draft prospectus for Orion for a capital and/or debt raising, in which the Company will seek to realize control in Orion⁵ via a debt raising secured by Orion, while maintaining a minority holding therein. According to the Company’s estimates, it expects to publish Orion’s prospectus for a capital and/or debt offering by the end of November 2025.

It is clarified that there is no certainty regarding the results of the tender offer to CTY minority shareholders, nor regarding the publication and completion of Orion’s capital and/or debt offering, or its completion date, which is subject to the receipt of regulatory approvals and to market conditions. The Company’s assessments regarding the offering, as described, are forward-looking information as defined in the Securities Law, 1968, based on the Company’s plans as of the date hereof and relying materially on its expectations and estimates, among other things, regarding macroeconomic and other developments.

Respectfully,

G City Ltd.

By:
Chaim Katzman, Deputy Chairman of the Board and CEO
Gil Kotler, CFO

² As published by the Company on March 20, 2025 (Reference No. 2025-01-018556).
³ See the Company's immediate report dated November 2, 2025 (Reference No. 2025-01-082378).
⁴ As published by the Company on August 17, 2025 (Reference No. 2025-01-060848).
⁵ Including for the purpose of meeting the instructions for the Promotion of Competition and Reduction of Concentration Law, 2013.