



9 בנובמבר, 2025

לכבוד
הבורסה לניירות ערך בתל אביב
בע"מ
באמצעות מערכת המגנ"א

לכבוד
רשות ניירות ערך
באמצעות מערכת המגנ"א

ג.א.נ.,

**הנדון: ג' סיטי בע"מ ("החברה") - הודעת חברת הבת G City Europe Limited בעניין דוחותיה
הכספיים ליום 30 בספטמבר 2025**

מצ"ב דוחות כספיים ליום 30 בספטמבר 2025 של חברת הבת G City Europe Limited (חברה בת
בבעלותה המלאה של החברה).

**בכבוד רב,
ג' סיטי בע"מ**

נחתם על ידי:
גיל קוטלר, סמנכ"ל הכספים
רויטל כחלון, יועצת משפטית

The heart of it.



G City Europe Limited

INTERIM FINANCIAL STATEMENTS 30 SEPTEMBER 2025



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STATEMENT REGARDING FORWARD LOOKING INFORMATION

This report includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should", "could", "assumes", "plans", "seeks" or "approximately" or, in each case their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout these condensed consolidated interim financial statements and include statements regarding the intentions, plans, objectives, beliefs or current expectations of the Group. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance.

You should assume that the information appearing in the condensed consolidated interim financial statements is up to date only as of the date of the condensed consolidated interim financial statements. The business, financial conditions, results of operations and prospects of the Group may change. Except as required by law, the Group do not undertake any obligation to update any forward looking statements, even though the situation may change in the future.

All of the information presented in the condensed consolidated interim financial statements, and particularly the forward looking statements, are qualified by these cautionary statements.

The condensed consolidated interim financial statements and the documents available for inspection should be read in their entirety and with the understanding that the actual future results of the Group may be materially different from what the Group expects.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 September 2025 €'000	31 December 2024 €'000
ASSETS			
Standing investments	4	1,542,416	1,450,054
Redevelopments and land	5	127,504	152,699
Equity-accounted investment in joint ventures		884	1,530
Derivatives	12	2,443	4,486
Other non-current assets	6	204,378	276,796
Non-current assets		1,877,625	1,885,565
Other current assets	7	24,927	26,754
Assets held for sale	8	-	270,869
Cash and cash equivalents	9	55,784	90,838
Current assets		80,711	388,461
TOTAL ASSETS		1,958,336	2,274,026
EQUITY AND LIABILITIES			
Equity	10	1,364,935	1,319,845
Long term borrowings	11	456,718	529,373
Derivatives	12	5,854	6,425
Other non-current liabilities	13	91,736	75,741
Non-current liabilities		554,308	611,539
Short term borrowings	11	3,452	87,609
Other current liabilities	14	35,589	124,427
Provisions		52	496
Liabilities held for sale	8	-	130,110
Current liabilities		39,093	342,642
Total equity and liabilities		1,958,336	2,274,026

The financial statements were approved and authorised for issue by the Board of Directors on 7 November 2025 and were duly signed on the Board's behalf by Chaim Katzman, Chairman of the Board and George Christofides, Director.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Three months ended 30 September 2025		Nine months ended 30 September 2025		Three months ended 30 September 2024		Nine months ended 30 September 2024	
		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Gross rental income		21,693		64,076		20,819		67,692	
Service charge income		5,622		18,686		6,975		20,587	
Property expenses		(7,438)		(24,254)		(8,334)		(26,750)	
Net rental income			19,877		58,508		19,460		61,529
Revaluation of standing investments, net	4	1,258		40,874		7,087		53,331	
Depreciation, amortisation and impairments		(472)		(1,502)		(453)		(1,417)	
Administrative expenses		(2,787)		(7,865)		(2,415)		(4,958)	
Share of profit of equity-accounted investment		(188)		(646)		(219)		(634)	
Net result on disposals	8	144		144		4,104		3,904	
Costs connected with developments		(244)		(298)		(33)		(126)	
Net operating profit			17,588		89,215		27,531		111,629
Interest income		2,911		9,691		5,442		12,568	
Interest expense		(4,536)		(14,358)		(7,230)		(22,584)	
Foreign currency differences		(822)		(741)		20		(314)	
Other financial income		3,813		5,029		1,630		6,888	
Other financial expense		(1,631)		(4,892)		(1,613)		(4,159)	
Profit before taxation from continuing operations			17,323		83,944		25,780		104,028
Taxation charge for the period	15	(8,038)		(18,093)		(1,950)		(5,660)	
Profit after taxation from continuing operations			9,285		65,851		23,830		98,368
(Loss)/profit after taxation from discontinued operations	8	8		(16,588)		3,076		(13,925)	
Net profit for the period			9,293		49,263		26,906		84,443

Prior year comparatives for the period ended 30 September 2024 are adjusted following the classification of Czech Republic and Turkey as discontinued operations, see Note 8.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	Three months ended 30 September 2025		Nine months ended 30 September 2025		Three months ended 30 September 2024		Nine months ended 30 September 2024	
		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Net profit for the period		9,293		49,263		26,906		84,443	
Items that may be reclassified to the statement of profit or loss:									
Movement in hedging reserves (net of deferred tax)		434		(870)		(8,330)		(4,736)	
Reclassification of historic currency translation reserve of disposed assets	8	-		604		-		-	
Hedging reserve reclassified to profit or loss in respect of interest rate swap disposed during the period	8	-		(4,016)		-		2,679	
Exchange differences arising on translation of foreign operations		(402)		109		700		1,369	
Total comprehensive income for the period			9,325		45,090		19,276		83,755

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Nine months ended 30 September 2025 €'000	Nine months ended 30 September 2024 €'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operations	83,944	104,028
Adjustments for:		
Revaluation of standing investments, net	(40,874)	(53,331)
Depreciation, amortisation and impairments	1,502	1,417
Foreign exchange (profit)/loss, net	741	314
Change in provisions, net of amounts paid	4,556	(2,559)
Share of profit of equity-accounted investments in joint ventures	646	634
Net result on disposals	(144)	(3,904)
Lease interest expense	2,649	2,235
Net result from bonds buy back	(3,514)	(5,382)
Other financial income	(963)	(1,211)
Other financial expense	1,309	1,310
Interest income	(9,691)	(12,568)
Interest expense	14,358	22,584
Operating cash flows before working capital changes	54,519	53,567
Decrease in trade and other receivables and prepayments net	2,269	4,553
(Decrease)/increase in trade and other payables and accrued expenditure net	(2,194)	2,238
Cash generated from operations	54,594	60,358
Interest paid	(20,303)	(30,368)
Interest received	10,522	10,419
Corporate taxes paid	(1,326)	(1,078)
Corporate taxes received	192	1,058
Net cash generated from operating activities from continuing operations	43,679	40,389
Net cash (used in)/generated from operating activities from discontinued operations	(2,561)	8,122
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments related to investment properties	(15,384)	(20,808)
Proceeds from the disposal of investment properties	144	154,778
Repayment of loans provided to related and third parties	146,599	16,630
Loans provided to related and third parties	(75,016)	(119,903)
Net cash generated from investing activities from continuing operations	56,343	30,697
Net cash generated from investing activities from discontinued operations	108,840	116,507
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(185,616)	(207,173)
Receipt of long term borrowings	31,641	28,420
Repayments of leases	(410)	(66)
Dividends paid	(89,923)	-
Net cash used in financing activities from continuing operations	(244,308)	(178,819)
Net cash used in financing activities from discontinued operations	-	(1,020)
Net (decrease)/increase in cash and cash equivalents	(38,007)	15,876
Cash and cash equivalents at beginning of the period	90,838	22,584
Movement in cash and cash equivalents held for sale	3,597	2,507
Effect of exchange rate fluctuations on cash held	(644)	(1,528)
Cash and cash equivalents at end of the period	55,784	39,439

Prior year comparatives for the period ended 30 September 2024 are adjusted following the classification of Czech Republic and Turkey as discontinued operations, see Note 8.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Stated capital	Hedging reserve	Retained earnings	Currency translation reserve	Equity attributable to the owners of the Company	Hybrid bonds reserve	Total Shareholders Equity
	Note	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2025		1,195,766	1,948	(223,539)	4,812	978,987	340,858	1,319,845
Net profit for the period ¹		-	-	49,263	-	49,263	-	49,263
Hedging reserve reclassified to profit or loss in respect of interest rate swap disposed during the period		-	(4,016)	-	-	(4,016)	-	(4,016)
Other comprehensive income for the period ²		-	(870)	-	713	(157)	-	(157)
Total comprehensive income for the period		-	(4,886)	49,263	713	45,090	-	45,090
Balance at 30 September 2025		1,195,766	(2,938)	(174,276)	5,525	1,024,077	340,858	1,364,935

¹Net profit for the period includes €16,6 million losses from discontinued operations.

²Movement in other comprehensive income includes €0,6 million reclassification of historic currency translation reserve of disposed assets.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Stated capital	Hedging reserve	Retained earnings	Currency translation reserve	Equity attributable to the owners of the Company	Hybrid bonds reserve	Total Shareholders Equity
	Note	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2024		1,298,377	4,364	(308,297)	(1,220)	993,224	340,858	1,334,082
Net profit for the period ³		-	-	84,443	-	84,443	-	84,443
Hedging reserve reclassified to profit and loss in respect of interest rate swap disposed during the period		-	2,679	-	-	2,679	-	2,679
Other comprehensive income for the period		-	(4,736)	-	1,369	(3,367)	-	(3,367)
Total comprehensive income for the period		-	(2,057)	84,443	1,369	83,755	-	83,755
Balance at 30 September 2024		1,298,377	2,307	(223,854)	149	1,076,979	340,858	1,417,837

³Net profit for the period includes €13,9 million losses from discontinued operations.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

UNAUDITED

1. REPORTING ENTITY

G City Europe Limited (the "Company", formerly "Atrium European Real Estate Limited") is a company incorporated in Jersey. Its registered office is 37 Esplanade, St. Helier, Jersey, Channel Islands and its business address is 79 Spyrou Kyprianou, MGO Protopapas, 3076 Limassol, Cyprus. The Company's tax residency is Cyprus.

The condensed consolidated interim financial statements of G City Europe Limited as at and for the period ended 30 September 2025 comprise the Company and its subsidiaries, collectively the "Group".

G City Europe is an owner, operator and redeveloper of shopping centres and residential for rent properties in Central Europe.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group have been prepared in accordance with IAS 34, Interim Financial Reporting as endorsed by the European Union ("EU").

The unaudited condensed consolidated interim financial statements do not include all of the information required for full set of IFRS Accounting Standards ("IFRS") annual consolidated financial statements and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 31 December 2024. The annual consolidated financial statements of the Group are prepared in accordance with IFRS as endorsed by the EU.

These financial statements are presented in Euros ("€"), which is considered by the Board of Directors to be the appropriate presentation currency due to the fact that the majority of the transactions of the Group are denominated in or based on this currency. All financial information is presented in Euros and all values are rounded to the nearest thousand (€'000), unless stated otherwise, except share and per share information.

The preparation of condensed consolidated interim financial statements requires the Company to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses.

3. CHANGES IN ACCOUNTING POLICIES

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Company is evaluating the effects of IFRS 18, including the effects of the consequential amendments to other accounting standards, on its consolidated financial statements.

4. STANDING INVESTMENTS

The current portfolio of standing investments of the Group consists of 9 retail properties and 3 residential assets (31 December 2024: 10 retail properties and 3 residential assets) of which nil property is held for sale (31 December 2024: 1 property held for sale).

A roll forward of the total standing investments portfolio is provided in the table below:

Standing investments	30 September 2025 €'000	31 December 2024 €'000
Balance as at 1 January	1,450,054	1,547,173
Additions - technical improvements extensions	11,221	8,805
Movement in leases	-	44
Transfers from redevelopments and land	40,387	22,878
Revaluation of standing investments, net	40,874	114,840
Disposals	-	(245,515)
Exchange differences arising on translation of residential properties	(345)	1,484
Borrowing costs capitalised	225	345
Balance at the end of the period	1,542,416	1,450,054

Transfers from redevelopments and land include a residential building of the Ostrobramska project near Promenada shopping centre in Warsaw in total value of €37,4 million.

The total value of land leases as of 30 September 2025 was €37,8 million (31 December 2024: €36,8 million).

5. REDEVELOPMENTS AND LAND

The current portfolio of redevelopments and land comprises €96,1 million (2024: €92,0 million) redevelopments and €31,4 million (2024: €60,7 million) land.

Redevelopments and land	30 September 2025 €'000	31 December 2024 €'000
Balance as at 1 January	152,699	240,960
Additions - retail	942	292
Additions - residential	5,200	28,087
Movement in leases	258	129
Transfer to standing investments	(40,387)	(22,878)
Revaluation of redevelopments and land - continuing operations	-	7,738
Transfer from/(to) assets held for sale	7,000	(104,261)
Exchange differences arising on translation of residential properties	474	964
Borrowing costs capitalised	1,318	1,668
Balance at the end of the period	127,504	152,699

The total value of land leases was €7,9 million as of 30 September 2025 (31 December 2024: €8,7 million).

General borrowing costs in total amount of €1,3 million have been capitalised to the qualifying assets at 2,9% capitalisation rate.

In 2025, the Group reassessed the status of the Constanta land plot located in Romania. The criteria for classification as held for sale under IFRS 5 were no longer met. As a result, the land plot was reclassified from non-current assets held for sale back to redevelopments and land at its fair value in €7,0 million.

6. OTHER NON-CURRENT ASSETS

Other assets	30 September 2025 €'000	31 December 2024 €'000
Financial assets at amortised cost	196,725	267,015
Long term restricted cash	5,047	5,304
Intangible assets	1,251	2,021
Property and equipment	475	615
Straight line of incentives to tenants	206	945
Other	674	896
Balance at the end of the period	204,378	276,796

Long-term financial assets at amortised cost include secured vendor loan in the amount of €24,6 million (31 December 2024: €24,6 million) granted to the purchasers of Optima shopping centre located in Slovakia. The maturity of the loan is in June 2027 and the principal bears interest rate of 5% per annum.

In November 2023, as a result of the restructuring of the investment in the joint ventures, the Group provided €8,8 million additional loan to related parties at 5% interest rate and maturity in 5 years. The Group signed a novation agreement with Fedelmia Limited and substantially modified the initial terms of the historic loan in total amount of €17,9 million. Effective from 17 November 2023, the non-convertible loan in the amount of €20,6 million bears 5% interest rate per annum and matured in 5 years. Both loans represent a long term interest in the joint ventures. As of 30 September 2025, the outstanding amount of the joint venture loans was €32,4 million (31 December 2024: €31,2 million).

In December 2023, the Group granted a related party credit facility to Gazit Midas Limited in the available amount of €200,0 million bearing variable interest rate at three month Euribor and 2.5% with maturity on 31 December 2026. As of 30 September 2025, the utilised amount provided to the related party was €45,0 million (31 December 2024: €115,9 million). The related party credit facility is guaranteed by G City under the framework agreement signed, see Note 17.

In July 2024, the secured vendor loan was granted to G City in the amount of 299,4 million polish zloty (approx. €70,0 million). The issuance of the loan was a non-cash transaction included in the purchase price of the Targowek shopping centre. The loan bears an interest of 6.5% and is repayable in 2029.

The loans are measured at amortised cost which is not significantly different from their fair value.

In February 2023, the Group granted the secured vendor loan in the amount of €32,4 million to the purchaser of Molo shopping centre located in Poland. The maturity of the loan is within 5 years. The arrangement constitutes a financing component and initial measurement was adjusted to the present value in €26,0 million as of 31 December 2024 of future payments discounted at a market rate of interest for a similar debt instrument. As of 30 September 2025, the long term outstanding amount of the loan was €24,6 million (31 December 2024: €25,2 million). The short term portion in total amount of €0,8 million is disclosed as Other current assets, see Note 7.

7. OTHER CURRENT ASSETS

Other assets	30 September 2025 €'000	31 December 2024 €'000
Financial assets at amortised cost	6,631	6,729
Alternative minimum tax	4,791	3,019
Short term restricted cash	3,490	1,356
VAT receivables	2,987	3,587
Receivables from tenants ¹	2,457	5,888
Prepayments	1,048	623
Other receivables	3,523	5,552
Balance at the end of the period	24,927	26,754

¹Includes Straight-line asset of lease incentives €1,0 million (31 December 2024: €1,3 million).

Financial assets at amortised cost include secured vendor loan in the amount of €5,8 million (31 December 2024: €5,9 million) granted in 2022 to the purchaser of Mosty shopping center located in Poland. The loan bears an interest of 3.0% and is repayable in December 2025.

Increase in restricted cash refers to debt service and tenant deposit accounts according to the loan agreement with Landesbank Hessen-Thüringen Girozentrale, see Note 11.

8. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

	30 September 2025	31 December 2024
	€'000	€'000
Non-current assets		
Standing investments	-	200,988
Redevelopments and land	-	60,000
Other non-current assets	-	4,660
Current assets		
Receivables from tenants	-	820
Cash and cash equivalents	-	3,597
Other current assets	-	804
Assets held for sale	-	270,869
Non-current liabilities		
Deferred tax liabilities	-	535
Long term borrowings	-	119,382
Other non-current liabilities	-	2,150
Current liabilities		
Accrued expenditures	-	957
Advance payments	-	2,564
Short term borrowings	-	3,318
Other current liabilities	-	1,204
Liabilities held for sale	-	130,110
Total, net	-	140,759

As of 31 December 2024, following IFRS 5 requirements the Atrium Flora shopping centre in Czech Republic, Constanta land plot in Romania and Mel 1 land plot in Turkey were held for sale. The disposal of Atrium Flora shopping centre and Mel 1 land plot took place in 2025 and is part of the Group's strategy to reposition non-core assets portfolio and focus on prime properties located in Poland. Disposal of these properties signifies the Group's exit from Czech Republic and Turkey.

The Turkish government initiated measures to expedite post-earthquake recovery, including nationalizing plots near the Group's property to build housing for displaced individuals. Amid the nationalization risk, the Group formulated an exit strategy in order to mitigate the exposure. In January 2025, the Group completed the disposal of MEL 1, its sole subsidiary in Turkey, for a gross consideration of €53 million, at its book value.

In February 2025, the Group completed the sale of the Atrium Flora shopping center in Czech Republic for an agreed gross consideration of €232,1 million, not including customary price adjustments and transaction costs of €31,2 million.

In July 2024, the Group completed the sale of the Targowek shopping centre in Warsaw, Poland, to G City for a gross consideration of €230,5 million at its fair market value resulting in a net gain from disposal of €4,1 million. The Group continues to provide management and marketing services to the Targowek shopping centre at a cost plus basis. An amount of €1,6 million was charged for the period ended 30 September 2025.

As of 31 December 2024, borrowings held for sale included secured loan from Berlin-Hannoversche Hypothekbank AG in total amount of €122,7 million.

Following the signing of separate sale purchase agreements with third parties in 2024 for the sale of Atrium Flora shopping centre in the Czech Republic and in 2025 for the sale of Mel 1 land in Turkey, operations in the Czech Republic and Turkey have been classified as discontinued operations in 2024 and presented separately in the condensed consolidated statement of profit and loss and the condensed consolidated cash flow statement for the nine months ended 30 September 2024 and 30 September 2025.

	Three months ended 30 September 2025 €'000	Nine months ended 30 September 2025 €'000	Three months ended 30 September 2024 €'000	Nine months ended 30 September 2024 €'000
Gross rental income	-	2,257	3,331	11,559
Service charge income	-	1,141	1,718	5,365
Property expenses	-	(1,194)	(1,827)	(5,114)
Net rental income	-	2,204	3,222	11,810
Depreciation, amortisation and impairments	-	(5)	(51)	(157)
Administrative expenses	15	(5)	66	(263)
Net result on disposals	(7)	(18,146)	(1,164)	(22,595)
Costs connected with developments	-	(3)	(44)	(115)
Net operating profit/(loss)	8	(15,955)	2,029	(11,320)
Interest expense, net	-	(368)	(625)	(2,333)
Foreign currency differences	-	14	-	(66)
Other financial expense, net	-	(10)	(4)	(38)
Loss before taxation	8	(16,319)	1,400	(13,757)
Tax charge for the period	-	(269)	1,676	(168)
Net loss for the period	8	(16,588)	3,076	(13,925)

9. CASH AND CASH EQUIVALENTS

Cash balances are analysed as follows:

	30 September 2025 €'000	31 December 2024 €'000
Cash at bank and in hand	45,167	86,721
Deposits	10,617	4,117
Total	55,784	90,838

As of 30 September 2025, €36,0 million (31 December 2024: €80,3 million) of G City Europe's bank balances were denominated in Euro, €8,2 million (31 December 2024: € 6,4 million) in Polish zloty and the remaining in various other currencies.

As of 30 September 2025 and 31 December 2024, the bank deposits were denominated in Polish zloty and had a maturity of 7 days.

10. EQUITY

As of 30 September 2025, the total number of ordinary shares authorised and issued was 299.743.870 (31 December 2024: 299.743.870), of which 111.990.360 ordinary shares were registered in the name of Gazit Midas Limited, 187.753.510 ordinary shares were registered in the name of Gazit Gaia Limited. As of 30 September 2025, EPRA Net Reinstatement Value was €3,62 per share (31 December 2024: €3,42 per share).

11. BORROWINGS

Borrowings	30 September 2025 €'000	31 December 2024 €'000
Bonds	119,256	220,861
Bank loans	337,462	308,512
Long-term liabilities	456,718	529,373
Bonds	-	84,563
Bank loans	3,452	3,046
Short-term liabilities	3,452	87,609
Total	460,170	616,982

The undiscounted borrowings are repayable as follows:

Borrowings total	30 September 2025	31 December 2024
	€'000	€'000
Due within one year	3,452	87,609
Due in second year	278,956	160,467
Due within third to fifth year inclusive	177,762	368,906
Total	460,170	616,982

BONDS

In January 2025, the Group gave notice to the noteholders of the 2025 Notes of their intention to redeem the outstanding amount of approximately €85 million through the exercise of the clean-up call. In February 2025, the redemption was completed.

During nine months ended 30 September 2025 the Group bought back €103,1 million of the 2027 Notes with a gain in €3,8 million. During nine months ended 30 September 2024 the Group bought back and cancelled €201,4 million and €11,0 million of the 2025 Notes and 2027 Notes respectively with a gain in €5,4 million.

The bonds are subject to the following financial covenants: the solvency ratio shall not exceed 60%; the secured solvency ratio shall not exceed 40%; the consolidated coverage ratio shall not be less than 1.5. All covenants were met as of 30 September 2025.

RELATED PARTY CREDIT FACILITY

The related party credit facility from G City of €350.0 million carries a quarterly coupon of 3-month Euribor plus a spread of 1,5% per annum. The maturity date is 31 December 2026.

As of 30 September 2025, the Group has not utilised the related party credit facility (31 December 2024: €nil). The Company has an available financing in total amount €350,0 million of unutilised related party credit facility. The related party credit facility is subordinated to the Group's senior debt.

BANK LOANS

In August 2024, the Group raised a loan of 80,0 million polish zloty ("Tranche A") and €10,0 million ("Tranche B") from Santander Bank Polska S.A. secured by residential properties of Urban Home Warszawa Rubikon and Urban Home Wroclaw Traugutta. The loan matures in 5 years. Tranche A bears interest rate of 6.95% per annum. Tranche B bears interest rate of 5.055% per annum. The loan is subject to the following financial covenants: Loan to Value, Occupancy and Debt Service Coverage Ratio. All conditions were met as of 30 September 2025.

In August 2025, the Group raised a loan of €32,0 million from Landesbank Hessen-Thüringen Girozentrale secured by residential property of Urban Home Warszawa Ostrobramska. The loan matures in 5 years and bears interest rate of 4.428% per annum. The loan is subject to the following financial covenants: Loan to Value, Debt Service Coverage Ratio. All conditions were met as of 30 September 2025.

The loan with Landesbank Hessen-Thuringen Girozentrale secured by Wars Sawa Juniour retail property is subject to the following financial covenants: Loan to Value and Interest Service Cover Ratio. Both conditions were met as of 30 September 2025.

The loan with Berlin Hyp AG (former Berlin-Hannoversche Hypothekenbank AG) and Bank Polska Kasa Opieki S.A. secured by CH Promenada retail property is subject to the following financial covenants: Loan to Value and Debt Service Coverage Ratio. Both conditions were met as of 30 September 2025.

During nine months ended 30 September 2025 the Group repaid €2,7m of the principal amount of bank loans.

The bank loans interest rates are hedged, see Note 12.

12. DERIVATIVES

The Group entered into interest rate swap contracts ("IRSs") in connection with secured bank loans (see Note 10). These swaps replaced floating interest rates with fixed interest rates. The floating rate on the IRSs with Landesbank Hessen-Thüringen Girozentrale from November 2018 and August 2025, Bank Polska Kasa Opieki S.A. and Berlin Hyp AG from October 2023 is the three month Euribor and the fixed rates are 0.640%, 2.378% and 3.51% respectively. The floating rates on the IRSs with Santander Bank Polska S.A. from August 2024 are the one month Wibor for Tranche A and the one month Euribor for Tranche B and the fixed rates are 4.65% and 2.455% respectively.

As of 31 December 2024, the interest rate swap contract in connection with the secured loan from Berlin Hyp AG was classified as asset held for sale and this was subsequently settled in February 2025 following the sale of Atrium Flora.

The swaps have similar terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount and are included in cash flow hedges to reduce the Group's cash flow volatility due to variable interest rates on the bank loans.

An economic relationship between the hedging instrument and the hedged item exists; the hedging instrument and the hedged item have values that move in the opposite direction and offset each other. The interest rate risk associated with the floating debt instruments are hedged entirely with having 1:1 hedge ratio. The IRSs are measured at fair value using the discounted future cash flow method.

The fair value measurement of the IRSs are derived from inputs other than quoted prices in active markets. The inputs used to determine the future cash flows are the Euribor and Wibor forward curve and an appropriate discount rate. The inputs used are derived either directly or indirectly. Therefore, these IRSs are classified as a Level 2 fair value measurement under IFRS 13.

Interest rate swaps	30 September 2025 €'000	31 December 2024 €'000
Carrying amount (liability)	(5,854)	(6,425)
Carrying amount (asset)	2,443	4,486
Notional amount	342,548	313,181
Change in fair value of outstanding hedging instruments since 1 January ¹	(1,472)	(6,389)
Transfer to assets/liabilities held for sale	-	2,740

¹Change in fair value for the period ended 31 December 2024 includes €2,7 million gross revaluation loss from hedging instruments classified as held for sale, see Note 8.

13. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities	30 September 2025 €'000	31 December 2024 €'000
Long term lease liabilities	41,401	41,501
Deferred tax liabilities	36,093	24,775
Other long term liabilities	14,242	9,465
Total	91,736	75,741

14. OTHER CURRENT LIABILITIES

Other current liabilities	30 September 2025 €'000	31 December 2024 €'000
Accrued expenditure	21,530	19,549
Trade and other payables	9,471	9,488
Short term liabilities from leasing	2,978	3,498
VAT payable	1,610	1,218
Payables to related parties	-	90,674
Total	35,589	124,427

Accrued expenditure includes bonds interest of €0,2 million (31 December 2024: €3,0 million).

The dividend declared in December 2024 of 30 cents per share was paid in January 2025 to the Group's shareholders, totalling €89,9 million.

15. TAXATION CHARGE FOR THE PERIOD

Taxation charge for the period	Nine months ended 30 September 2025	Nine months ended 30 September 2024
	€'000	€'000
Corporate income tax (expense)/refund	(6,453)	(188)
Deferred tax (charge)/credit	(11,640)	(5,472)
Total	(18,093)	(5,660)

The subsidiary companies are subject to taxes for their respective businesses in the countries of their registration at the rates prevailing in those jurisdictions.

Corporate income tax expense for the period ended 30 September 2025 includes the withholding tax provision, see Note 18.

In Poland, reduced rate of 9% may be applied to small taxpayers with revenue not exceeding €2,0 million on an annual basis.

16. SEGMENT REPORTING

The standing investment segment includes all commercial and residential real estate held to generate rental income for the Group. The development segment includes all development activities and land plots. The reconciling items mainly include holding activities and other items that relate to activities other than the standing investment segment and the development segment.

The Group evaluates performance of the standing investment segment on the basis of profit or loss from operations before tax excluding foreign exchange gains and losses. The performance of the development segment is evaluated on the basis of expected yield on cost.

The segment reporting is based on the internal reporting to the Board of Directors, as the chief operating decision maker ('CoDM'). The Board of Directors as chief decision makers of the Group monitor the contribution made by the segments to the company's performance on the basis of the segment operating profit/(loss). Total Asset and liabilities items are not reported separately to the CoDM.

Reportable segments for the period ended 30 September 2025	Standing Investment segment €'000	Redevelopments and land segment €'000	Reconciling item €'000	Total €'000
Gross rental income	64,076	-	-	64,076
Service charge income	18,686	-	-	18,686
Net property expenses	(24,254)	-	-	(24,254)
Net rental income - retail	55,266	-	-	55,266
Net rental income - residential	3,242	-	-	3,242
Net result on disposals	144	-	-	144
Costs connected with developments	-	(298)	-	(298)
Revaluation of retail properties	27,239	-	-	27,239
Revaluation of residential properties	13,635	-	-	13,635
Depreciation, amortisation and impairments	(1,502)	-	-	(1,502)
Administrative expenses	(3,082)	(87)	(4,696)	(7,865)
Share of profit of equity-accounted investment in joint ventures	-	-	(646)	(646)
Net operating (loss)/profit	94,942	(385)	(5,342)	89,215
Interest income/expense, net	-	-	(4,667)	(4,667)
Foreign currency differences	-	-	(741)	(741)
Other financial income/expenses, net	-	-	137	137
Profit / (loss) before taxation	94,942	(385)	(10,613)	83,944
Taxation charge for the period	-	-	(18,093)	(18,093)
Profit / (loss) after taxation	94,942	(385)	(28,706)	65,851
Retail properties	1,383,901	58,425	-	1,442,326
Additions to retail properties	9,520	942	-	10,462
Residential properties	158,515	100,079	(31,000) ¹	227,594
Additions to residential properties	1,701	5,200	-	6,901

¹Our 50% share of land plot held in a joint venture in Poland.

Reportable segments for the period ended 30 September 2024	Standing Investment segment €'000	Redevelopments and land segment €'000	Reconciling item €'000	Total €'000
Gross rental income	67,692	-	-	67,692
Service charge income	20,587	-	-	20,587
Net property expense	(26,750)	-	-	(26,750)
Net rental income - retail	59,560	-	-	59,560
Net rental income - residential	1,969	-	-	1,969
Net result on disposals	3,904	-	-	3,904
Costs connected with developments	-	(126)	-	(126)
Revaluation of retail properties	39,101	-	-	39,101
Revaluation of residential properties	14,230	-	-	14,230
Depreciation, amortisation and impairments	(1,417)	-	-	(1,417)
Administrative expenses	(3,502)	(81)	(1,375)	(4,958)
Share of profit of equity-accounted investment in joint ventures	-	-	(634)	(634)
Net operating (loss)/profit	113,845	(207)	(2,009)	111,629
Interest income/expense, net	-	-	(10,016)	(10,016)
Foreign currency differences	-	-	(314)	(314)
Other financial income/expenses, net	-	-	2,729	2,729
Profit / (loss) before taxation	113,845	(207)	(9,610)	104,028
Taxation charge for the period	-	-	(5,660)	(5,660)
Profit / (loss) after taxation	113,845	(207)	(15,270)	98,368
Retail properties	1,275,338	167,200	-	1,442,538
Additions to Retail properties	4,532	256	-	4,788
Residential properties	109,268	96,150	(31,000) ¹	174,418
Additions to Residential properties	415	11,746	-	12,161

¹Our 50% share of land plot held in a joint venture in Poland.

Prior year comparatives for the nine months ended 30 September 2024 are adjusted following the classification of Czech Republic and Turkey as a discontinued operation, see Note 8.

17. TRANSACTIONS WITH RELATED PARTIES

On 5 September 2025 Mr. Eshel Pesti retired from his position as Chief Executive Officer of the Group, and Mr. Or Ackerman was appointed as Chief Executive Officer of the Group.

Effective from 12 September 2025 Mr. Or Ackerman ceased to hold the position of Chief Financial Officer of the Group and Mr. Shai Feldman was appointed as Chief Financial Officer of the Group.

Mr. Varnavas Theodosiou and Mrs. Keren Kalifa were appointed to the Board of Directors with effect from 1 October 2025 for a term of one year, unless otherwise resolved by the Board of Directors.

OTHER RELATED PARTY TRANSACTIONS

G City Limited is the parent company of G City Europe Limited and to the best of the management's knowledge Norstar Holdings Inc. is the controlling owner and its controlling shareholder is Mr. Chaim Katzman, Chairman of the Board of Directors.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Based on a consultancy agreement with the Group, Mr. Chaim Katzman was entitled to €0,7 million annual consultancy fee as from April 2017, payable in four equal quarterly instalments and subject to an annual review. The consultancy fee was temporarily waived for a period from 1 February 2024 until 31 December 2024 and was reinstated on 1 January 2025 upon a mutual agreement between the parties.

In May 2023, the Group signed a guarantee agreement for the registered and financial pledge of all shares in Galeria Dominikanska Sp. z o.o. securing the amount of \$150,0 million (approx. €127,8 million) to the benefit of Mizrahi Tefahot Bank Ltd under the credit facility with G City. The maturity of the pledge is in December 2026. The Group is entitled to a net consideration of \$0,7 million (approx. €0,6 million) per year.

Effective since December 2023, the Group signed a framework agreement with G City and Gazit Midas, related to obligations of Gazit Midas under related party credit facility provided in December 2023 (see Note 6), where G City took an obligation in case the Group receives an irrevocable undertaking from any financing party, G City shall provide a release of the Galeria Dominikanska Sp. z o.o. pledge and any other encumbrance made in favor of Mizrahi Tefahot Bank Ltd under the credit facility with G City.

Biala, Galeria Dominikanska and Focus Bydgoszcz shopping centres may be sold to a G City subsidiary at their book value as of 30 September 2025 in €455,7 million gross. The properties generated a net rental income of €23,1 million for the period of nine months ended 30 September 2025. Completion of the disposal is subject to the issuance of shares and/or bonds by the G City subsidiary on the Tel Aviv Stock Exchange. Following the disposal, the Group expects to continue providing management and marketing services for these shopping centres.

18. CONTINGENCIES

There is continuing uncertainty in the various economies and jurisdictions in which the Group has its operations and assets. These uncertainties relate to the general economic and geopolitical environment in such regions and to changes or potential changes in the legal, regulatory and fiscal frameworks and the approach taken to enforcement which may include actions affecting title to the Group's property or land and changes to the previously accepted interpretation of fiscal rules and regulations applied by the authorities to the Group's fiscal assets and liabilities.

Certain subsidiaries within the Group are, or have been, like other companies operating in the retail market, involved in legal and/or administrative proceedings involving the tax authorities. These past and present proceedings create uncertainty around tax policies in matters previously regarded as established but which are now subject to revised interpretation by the tax authorities.

Tax authorities in Poland are currently reviewing a withholding tax treatment covering different period from 2018 to 2024 in particular SPVs.

Cases for 2019-2020 are at the level of tax proceedings with the first instance decisions issued in June - September 2025. Those decisions remain unenforceable as they were appealed to the second instance tax authority and will be subject to further review.

The most advanced case is related to Manhattan Development (Wars Sawa Junior) and concerns withholding tax for 2018. In this case a second instance tax authority upheld a negative first instance decision determining the withholding tax arrears. In July 2025, Wars Sawa Junior lodged an appeal to the first instance administrative court and awaits the hearing date.

Based on the assessment of the tax advisors, the Group estimated that the probability of a favorable outcome in the tax proceedings is more likely than not.

The rest of the cases for 2021-2024 are at the level of tax audit.

In 2019, the Group initiated the liquidation of a legacy corporate structure in Denmark. In 2020, the Group obtained a binding ruling from the Danish tax authorities confirming the withholding tax treatment applicable to the transaction. However, in April 2025, the Danish tax authorities revoked the binding ruling and issued a decision requiring the Group to withhold Danish dividend tax, amounting to DKK 135.593.427 (approx. €18,2 million), excluding interest accrued. Based on the assessment of the legal advisors, the Group estimated that the probability of a favorable outcome in the appeal case is more likely than not.

The Hybrid Note has an off-balance sheet accrued interest of €11,6 million as of 30 September 2025 (31 December 2024: €2,1 million).

The Group has assessed the potential implications of tariffs and trade measures introduced by the United States, including those imposed during the administration of President Donald J. Trump, as well as related global trade tensions. The Group's operations are concentrated in the real estate sector primarily in Poland, with tenant's limited exposure to the trade flows with the United States or supply chains affected by these measures.

Based on this assessment, management has concluded that these trade policies have had no material impact on the Group's financial position or performance during the reporting period. The Group continues to monitor international trade developments; however, due to the European nature of its business activities, no significant risks or uncertainties have been identified as a result of past or ongoing trade tensions.

19. SUBSEQUENT EVENTS

No significant events occurred after the end of the reporting period other than already disclosed.

Auditors' review report

To the Shareholder of G City Europe

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of G City Europe Ltd. and subsidiaries ("the Company"), which comprises the condensed consolidated statement of financial position as of September 30, 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine and three-month then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects the financial position of the entity as at September 30, 2025, and of its financial performance and its cash flows for the nine and three month periods then ended in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Tel-Aviv, Israel
November 7, 2025

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