BOARD OF DIRECTORS' REPORT

ISRAELCANADA

Israel Canada (T.R.) Ltd.

Board of Directors' Report for the Three-Month Period Ended March 31, 2026

This document is an English translation of the Hebrew version of the company's financial statements and the management discussion and analysis for the First quarter of 2026, that was published on May 28, 2026 (the "reports" or "Hebrew Version"). The Hebrew version of the reports is the binding version and the only version having legal effect. The English translation has been created for the purpose of convenience only and has no binding force. The approval of the company's board of directors was given to the Hebrew version only and no such approval has been given to the English translation. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail

Board of Directors' Report on the State of the Company's Affairs for the Period Ended on March 31, 2026

A. Summary of financial results for the Reporting Period:

- Total sales of apartments, land, offices and hotels, and the admission of partners into projects of the Company and its associates from the beginning of 2026 until the report publication date amounted to a total of approx. NIS 1.5 billion (*) (including an associate company — ICR), compared to approx. NIS 0.9 billion (*) in the corresponding period last year.
- Below is a summary of the data on sales of apartments and offices in the Company's main projects up to the date of publication of the report:
  - In the "Rainbow" project, Tel Aviv, the Company sold 275 apartments for a total consideration of approx. NIS 2.4 billion*.
  - In the Vertical City project, an associate company sold approx. 29.2 thousand sq.m. of office space, for a total consideration of approx. NIS 931 million*.
  - In the Midtown Jerusalem project, the Company sold approx. 285 apartments for a total consideration of approx. NIS 1.2 billion*, and approx. 4 thousand sq.m. of offices for a total consideration of approx. NIS 119 million**.
  - In the Lev Bavli project, Tel Aviv, the associate company sold 20 apartments for a total consideration of approx. NIS 109 million*.
  - In the "People" project, Kremenetsky, the Company sold 93 apartments for a total consideration of approx. NIS 379 million*.
  - In the Beit HaNaara project, the Company sold 12 apartments for a total consideration of approximately NIS 71 million*.
  - In the "SHE" project, the Company sold 7 apartments for a total consideration of approx. NIS 128 million**.
  - In the Dubnov project, the Company sold 16 apartments for a total consideration of approx. NIS 198 million* and approx. 8 thousand sq.m. of office space for a total consideration of approx. NIS 315 million**.

(*) Including VAT and including signed subscription agreements.

(**) Including VAT.

Set forth below is a summary of the Company's principal activities in 2026:

- On January 25, 2026, the Company carried out a private placement of shares to an institutional body for a total consideration of approx. NIS 180 million.
- On February 18, 2026, the Company entered into a statutory merger agreement with Acro Group Ltd., according to which, subject to the fulfillment of conditions precedent, Acro will merge with and into the Company, such that all of Acro's assets and liabilities will be transferred to the Company on an as-is basis. For further information, see Note 4(L) to the Company's consolidated financial statements.
- On March 11, 2026, the assisted living company entered into an investment agreement with three veteran pension funds under arrangement ("Amitim"), whereby Amitim will invest in the assisted living company for 19.8% of the assisted living company's share capital. Amitim invested approx. NIS 58 million and there is a future framework for additional investments by Amitim totaling another approx. NIS 42 million. For further information, see Note 4N to the Company's consolidated financial statements.
- On March 31, 2026, Midtown Jerusalem entered into an agreement with Israel Canada Hotels Ltd. for the sale of the full leasehold rights of a 200-room hotel under construction in the "Midtown Jerusalem" project for a consideration of NIS 265 million, and into a management agreement for a 53-room luxury hotel in a building designated for preservation in the project. The engagement was approved at the General Meeting of the hotel company on May 20, 2026, after the balance sheet date. For further details, see Note 4R to the Company's consolidated financial statements.
- On May 10, 2026, after the balance sheet date, the Company raised a total of approx. NIS 305.3 million par value of Series I Bonds at an annual interest rate of 5.29% in consideration for a total of approx. NIS 305.3 million. For further information, see Note 5C to the Company's consolidated financial statements.

- On May 17, 2026, subsequent to the balance sheet date, the Company entered into an agreement with a local bank for a payment voucher arrangement for the purpose of issuing payment vouchers to purchasers in the "People" project. For further information, see Note 5d to the Company's consolidated financial statements.
- On May 20, 2026, subsequent to the balance sheet date, the Company entered into a refinancing agreement and payment voucher arrangement with a local bank for the purpose of issuing payment vouchers to purchasers in the "SHE" project. For further information, see Note 5F of the Company's consolidated financial statements.
- The Company's rental income from the rental of real estate inventory and investment property amounted to a total of approx. NIS 29 million for the three-month period ended on March 31, 2026.
- After the balance sheet date and up to the date of publication of the report, the Company sold 8,225 sq.m. of office space in the Dubnov project for a consideration of approx. NIS 315 million, including VAT.
- The net loss attributable to the Company's shareholders for the three months ended March 31, 2026 totaled approximately NIS **58** million, compared to a net loss of approximately NIS **26** million in the corresponding period last year. The loss is mainly due to hotel operations as a result of the security situation and seasonality in operations. For further details, see Section B.3 below.
- The Company's total assets as of March 31, 2026 amounted to approx. NIS **13.2** billion, compared to a total of approx. NIS **12.6** billion on December 31, 2025.
- The Company's equity (including minority interests) as of March 31, 2026, totaled approx. NIS **4** billion, compared to approx. NIS **3.7** billion as of December 31, 2025.
- The equity attributable to the Company's shareholders as of March 31, 2026 amounted to approx. NIS **2.8** billion, compared to approx. NIS **2.7** billion as of December 31, 2025.
- The Company's equity ratio (including minority interests) to the Company's total consolidated balance sheet as of March 31, 2026 is approx. **29.6%**, compared to approx. **29.6%** as of December 31, 2025.
- The ratio of the Company's equity, excluding non-controlling interests, to the Company's total consolidated balance sheet as of March 31, 2026 is approx. **21.3%** compared to approx. **21.2%** as of December 31, 2025.

(*) For the sale of apartments and offices, including subscription agreements; the amount includes VAT.

Project	During the three months ended March 31, 2026		Data from the beginning of the project until March 31, 2026		
	Units sold	Financial Scope including VAT in NIS thousands	Sales rate	Units sold	Financial Scope including VAT in NIS thousands
Rainbow, Tel Aviv	4	22,094	59%	272	2,361,688
Midtown Jerusalem	17	60,034	39%	272	1,184,083
Lev Bavli, Tel Aviv (3)	2	11,168	14%	19	101,234
SHE, Herzl Yehuda Halevi	-	-	4%	4	86,600
Dubnov, Tel Aviv	4	58,787	11%	15	181,087
People, Tel Aviv(2)	23	92,417	29%	87	351,738
Beit HaNaara, Hod HaSharon (4)	3	27,463	11%	10	54,643
Ahad Ha'am, Tel Aviv	-	-	99%	68	361,863
Pastoral, Jerusalem	6	25,565	45%	130	467,039
North Park Phase A, Ramat HaSharon	4	28,163	72%	393	1,979,563
North Park Phase B (EVE), Ramat HaSharon	12	65,762	40%	162	883,699
AIR Givatayim(5)	2	7,780	72%	156	763,506
HaMesila, Herzliya	1	8,580	93%	25	180,115
Ocean Park II, Netanya	2	2,966	98%	59	233,783
Gefen Complex, Herzliya (Phase B)	-	0	98%	94	369,591
Bat Yam (Yam) Sokolov	1	6,150	99%	164	498,515
Idmit (Jasmin), Givatayim (1)	2	9,040	18%	14	59,847
Tel Hashomer (Serenity), Ramat Gan	-	-	39%	13	54,978
Brodtsky, Tel Aviv	3	22,796	4%	3	22,796
Total apartments	86	**448,766**		**1,960**	**10,196,368**

Apartments and offices sold during the period in the Group's projects:

Project	During the three months ended March 31, 2026		Data from the beginning of the project until March 31, 2026		
	Sq.m. sold	Financial Scope Including VAT in NIS thousands	Sales rate	Sq.m. sold	Financial Scope Including VAT in NIS thousands
Midtown Jerusalem Offices	-	-	9%	4,052	119,062
Vertical City, Ramat Gan	1,782	53,554	39%	28,341	902,758
Total offices	1,782	53,554	-	32,983	1,021,820

(1) In the Idmit (Jasmin) project, Givatayim — out of 14 apartments sold, 1 is a subscription agreement for a total of approx. NIS 4,950 thousand, including VAT.

(2) In the People project, Tel Aviv — out of 87 apartments sold, there is 1 subscription agreement in the amount of approx. NIS 3,000 thousand, including VAT.

(3) In the Lev Bavli project, Tel Aviv — out of 19 apartments sold, there is 1 subscription agreement in the amount of approx. NIS 6,450 thousand, including VAT.

(4) In the Beit HaNaara project, Hod HaSharon — out of 10 apartments sold, there is 1 subscription agreement in the amount of approx. NIS 12,000 thousand, including VAT.

(5) AIR Givatayim — out of 156 apartments sold, there is 1 subscription agreement for a total of approx. NIS 3,600 thousand, including VAT.

From the end of the period until a date close to the publication of the financial statements, 51 apartments were sold in the projects of the Company and of ICR, for a total consideration of approx. NIS 328 million, including VAT(*), and 9,108 sq.m. of offices for a total consideration of approx. NIS 344 million, including VAT(**).

(*) Of which 26 are signed contracts, 9 are signed subscription agreements in the Midtown Jerusalem project for a total of approx. NIS 32 million including VAT, 11 are signed subscription agreements in ICR's projects for a total of approx. NIS 78 million including VAT, and 5 are signed subscription agreements in the Company's other projects for a total of approx. NIS 41 million including VAT.
(**) Of which approx. 8,643 sq.m. are under signed contracts and approx. 464 sq.m. are under signed subscription agreements for a total of approx. NIS 14 million.

For further details about the marketing process, see Section 8.1.10 of the 2025 Periodic Report.

B. Board of Directors' Explanation of the State of the Corporation's Affairs

The Board of Directors of the Company hereby submits the consolidated financial statements of the Company for the three-month period ended March 31, 2026 (hereinafter: "the Period" or "the Reporting Period"), in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 (hereinafter: "the Reporting Regulations").

The review presented below is limited in scope and refers to events and changes that occurred in the state of the Company’s affairs during the Reporting Period, the effect of which is material, and should be read in conjunction with the Company's Periodic Report for the year ended December 31, 2025, which includes the Report on the Description of the Company's Business for 2025 and the Company's consolidated financial statements as of December 31, 2025 (hereinafter: the “Periodic Report”, the “2025 Periodic Report”, and the “Annual Financial Statements”, respectively).

All the data appearing in the Board of Directors’ Report are based on the Company's reviewed interim consolidated financial statements as of March 31, 2026, unless stated otherwise.

General Background of the Company

As of the Report date, the Company has 8 areas of activity, as detailed below:

1. Real Estate Development (Investment in Land)
2. Project Development in Israel
3. Initiation and Management of Purchasing Groups in Israel (not a reportable segment in accordance with generally accepted accounting principles)
4. The income-producing real estate sector in Israel
5. Hotel management in Israel
6. The real estate development sector in Russia
7. The assisted living sector in Israel (not a reportable segment in accordance with generally accepted accounting principles). For details, see the Company's immediate report dated March 16, 2022 (Ref. No.: 2022-01-026103), which is incorporated herein by reference.
8. Operation of properties and parking lots in Israel (not a reportable segment in accordance with generally accepted accounting principles)

For further details regarding the segmentation of the Group's areas of activity, see Section 1 of the 2025 Periodic Report.

Below is an update on the status of the Company's main projects being marketed in Israel (to the extent that material changes have occurred).

Project Development in Israel	
Project Name	**Status update**
Rainbow Project, Tel-Aviv	A project under construction of 459 housing units and commercial space in the scope of approx. 1,600 sq.m. gross. In accordance with the revenue recognition policy, the Company began to recognize revenues from the project during 2025. During the three months ended March 31, 2026, the Company recorded revenues of approx. NIS **29** million.
Midtown Jerusalem Project	A mixed-use project under construction including approx. 695 residential units in two 40-story towers with a total area of approx. 43,500 equivalent sq.m. for marketing (classified as real estate inventory), commercial, office, and hotel space with a total area of approx. 75,000 gross sq.m. (classified as investment property), as well as 200 units for rent in two 40-story towers, a building designated for preservation, intended for use as a hotel with an area of approx. 5,250 gross sq.m., and approx. 12,000 sq.m. of public buildings. In accordance with the revenue recognition policy, the Company began to recognize revenues from the project during 2025. During the three months ended March 31, 2026, the Company recorded revenues of approx. NIS **22.5** million for the residential rights.
SHE Project (former Bank Leumi building), Tel Aviv	A project under construction comprising a 40-story tower including 102 residential units; office and commercial space with an area of approx. 23.5 thousand sq.m.; and public buildings with an area of approx. 2.6 thousand sq.m. An excavation and shoring permit was received, and on March 20, 2025, an agreement was signed for the execution of shoring and excavation works with Solel Boneh, Limited Partnership. **On May 20, 2026, after the balance sheet date, the Company entered into an agreement with a local bank for refinancing and a payment voucher arrangement for the purpose of issuing payment vouchers to purchasers in the "SHE" project. For further details, see Note 5F in the Company's consolidated financial statements.**
Vertical City Project, Ramat Gan	A mixed-use project under construction for the construction of employment, residential, and commercial towers with a total scope of approx. 176 thousand sq.m. of above-ground space (244 thousand sq.m. including underground space), of which 400 high-density housing units for long-term rental for a period of no less than 20 consecutive years from the date of receipt of an occupancy permit for the entire compound (the "**Rental Period**"), where 25% of the apartments will be designated for housing at a reduced and supervised rent for eligible persons and the remaining apartments will be rented by the developer to tenants on the free market (at the end of the Rental Period, Vertical may sell its rights in the apartments, in whole or in part), 350 housing units for student dormitories, public buildings and institutions, and urban fabric construction for employment and commerce. Vertical (as defined below) has undertaken towards Apartment for Rent to manage the rental system for the residential units and student dormitories to be built in the compound, for the entire Rental Period (20 years). On April 14, 2026, after the balance sheet date, the Company was updated by a representative of the Tel Aviv District Planning and Building Committee that in a meeting held on April 13, 2026, the District Committee resolved to deposit, subject to conditions, a plan to increase the building rights and add height in the project compound. The plan, which was approved for deposit subject to conditions, includes building rights totaling 357 thousand sqm, of which: approx. 240 thousand sq.m. for employment (an addition of approx. 127 thousand sq.m. relative to the valid plan); 33 thousand sq.m. of residential space for marketing on the free market (the valid plan does not include such residential space); commercial space in the scope of approx. 14

Project Development in Israel	
Project Name	**Status update**
	thousand sq.m. (an addition of approx. 7 thousand sq.m. relative to the valid plan); 400 housing units for rent and 350 student dormitories in the scope of approx. 36 thousand sq.m. and approx. 11 thousand sq.m., respectively (no change relative to the valid plan); public buildings and institutions in the scope of approx. 24 thousand sq.m. (an addition of approx. 13 thousand sq.m. relative to the valid plan). As of the report date, approximately 28.3 thousand sq.m. of office space in the project have been sold, for a total consideration of approximately NIS 903 million, including VAT. In accordance with the revenue recognition policy, the project company began to recognize revenues from the project during 2026. During the three months ended March 31, 2026, the project company recorded revenues of approximately NIS **20** million for the office rights.
Lev Bavli Project, Tel Aviv	A redevelopment project under construction under the TAMA 38/2 licensing track, within which 243 housing units are expected to be built. According to the plan, the total above-ground construction areas will amount to approx. 37,200 sq.m. and approx. 14,500 sq.m. of underground construction areas. The share of the Bavli project company (50% held) in the project is approx. 82%, and accordingly — the number of units to be marketed by the Bavli project company is approx. 138. As of the report date, 19 units have been sold in the project for a total consideration of approx. NIS 101 million, including VAT. In accordance with the revenue recognition policy, the project company began to recognize revenues from the project during 2026. During the three months ended March 31, 2026, the project company recorded revenues of approx. NIS **15** million.
Four and Five Project, Ramat HaSharon	The land is subject, inter alia, to Plan RS/214/B/1, East Morasha, according to which the land was designated as an industrial/employment zone, with building rights of 180% (main) (hereinafter: “Plan 214”). The designation of the land in the new lease agreement, which was recently signed with the Israel Land Authority, is consistent with the uses, designations, and rights in accordance with Plan 214. On August 4, 2025, a plan promoted by the Company was published for entry into force, for the construction of a project with a total above-ground area of approx. 206 thousand sq.m., above basements with an area of approx. 90 thousand sq.m. According to the plan, the construction of 4 towers of up to 20 stories each will be permitted, which will be connected on the lower floors where commercial and employment uses will be allocated, totaling approx. 150 thousand sq.m. In addition, 10 nine-story residential buildings will be constructed with 600 small housing units (of which 120 will be allocated for rental apartments). According to the plan, an area will be allocated for the construction of a school, and additional public areas for the local residents, as well as an area of approx. 7.5 dunams for a transportation terminal and municipal storage uses (hereinafter: "**the Plan**"). An appeal was filed by the Ramat HaSharon municipality with respect to the plan. In October 2025, the Ramat HaSharon municipality filed a petition with the court and a hearing on the petition was scheduled for July 13, 2026 (postponed from March 2026).
Beit HaNaara project, Hod HaSharon	Land including 7 lots in the "Beit HaNaara" compound in Hod HaSharon with a total area of approx. 39 dunams. The land is located in the Kfar Hadar neighborhood in the western part of Hod HaSharon, in the compound known as "Beit HaNaara". An urban building plan (TABA) applies to the land, permitting the construction of 530 apartments. In a discussion held in August 2025, the District Committee decided to approve an addition of housing units and commercial space, such that the project will include a total of 633 housing units and 2,500 sq.m. of commercial space. A full permit application was submitted for lots 204 and 208. The Company commenced marketing the project during the third quarter of 2025.
Dubnov 4 Project, Tel Aviv	A total area of approximately 2.4 dunams designated for the construction of a 42-story tower, including: 133 housing units, approximately 17.5 thousand sq.m. of commercial and employment space (gross, above-ground), and approximately 1.5 thousand sq.m. (net) of public areas. The Company has begun detailed planning of the project and is advancing the design plan for the complex.

Project Development in Israel	
Project Name	**Status update**
	On February 16, 2026, the project was approved by the Tel Aviv City Engineer's forum. The Company commenced marketing the project during the third quarter of 2025.
People Project, Kremenetsky, Tel Aviv	A joint project with Check Point which includes capitalized leasehold rights in land known as the Israel Electric Corporation's technical center on Kremenetsky Street in Tel Aviv, with an area of approx. 13.5 dunams, for a consideration of approx. NIS 818 million (the Company's share is approx. NIS 318 million). 302 residential units, approx. 2 thousand sq.m. of commercial space, and employment space with a scope of approx. 60 thousand sq.m., including commercial space on the ground floor, can be built on the land parcel. In accordance with the agreements between the Company and Check Point, the residential rights will be owned by the Company while the employment rights will be owned by Check Point. The Company began detailed planning of the project. The Company commenced marketing the project during the fourth quarter of 2025. On May 17, 2026, after the balance sheet date, a payment voucher agreement was signed.
Pastoral (Hantke St.), Jerusalem (under ICR Israel Canada Ram Holdings Ltd. (42.5%)) (2)	An "evacuation and construction" redevelopment project on Hantke Street, in the Kiryat HaYovel neighborhood, Jerusalem, which currently includes 138 residential apartments for evacuation, within the framework of which 4 residential buildings and approx. 425 housing units and commercial space of approx. 1,000 sqm will be constructed. In December 2024, a full building permit was received for the project. ICR entered into a financing agreement with a banking corporation to finance the project. For further details, see Note 4K(2) of the consolidated financial statements. During Q1 2026, all the landowners were evacuated from the land and ICR began the demolition of the existing structure and the construction of the project.
North Park (under ICR Israel Canada REM Holding Ltd. (42.5%))	A residential project in the Neve Gan neighborhood in Ramat HaSharon, which is being carried out in three stages and includes 1,205 residential units. Phase A **(North Park)** — a joint project of ICR with Tzemach Hamerman, which includes the construction of 14 residential buildings that will include 548 apartments. In December 2023, a full building permit was received for lots 28 and 30. ICR's share in these lots is 50%. In December 2024, a full building permit was received for lot 27. ICR's share in this lot is 75%. In August 2025, an excavation and shoring permit was received for Lot 29. During Q1 2026, ICR began the marketing and construction of Lot 29. ICR's share in this lot is 50%. Phase B **(EVE)** — jointly with Nof Ironi Yezamot Ltd. in equal shares (50% each) and includes the construction of 7 residential buildings that will include 401 apartments on lots 23-26. In September 2025, a full permit was received for the buildings on lots 24-26, where the project work has begun. Lot 23 is in the planning stages and its marketing has not yet begun. Phase C – held exclusively by ICR, lots 18-20 include 256 residential units and their marketing has not yet begun. In March 2025, an excavation permit was received for lot 20. On November 20, 2025, a committee decision was received for a full permit for all three lots.
AIR Givatayim, (under ICR Israel Canada REM Holding Ltd. (42.5%))	A project for the construction of 3 residential buildings that will include 333 apartments (216 for marketing) and commercial space of approx. 1,000 sq.m. The project's marketing began in September 2022. In January 2025, a full building permit was received for the project and ICR began its execution.
HaMesila, Herzliya – (under ICR Israel Canada REM Holding Ltd. (42.5%))	A boutique project for the construction of 7 residential buildings that will include 54 housing units (27 units for marketing). In April 2022, ICR received a building permit for the project. In December 2025, a Form 4 was received and occupancy of the project began.

Project Development in Israel	
Project Name	**Status update**
Jasmin — Idmit, Givatayim (under the company ICR Israel Canada REM Holding Ltd. (42.5%))	A redevelopment project at 13, 15, and 17 Idmit Street, Givatayim, which currently comprises 42 residential units. As part of the project, a residential building with 118 residential units will be constructed (76 units for marketing). In December 2024, an excavation permit was received for the project. During February 2025, ICR commenced marketing of the project, and in December 2025, a bank financing agreement was signed for the purpose of financing the project's construction. In April 2026, eviction notices were issued to the occupants.
Serenity Tel Hashomer, Ramat Gan (under ICR Israel Canada REM Holding Ltd. (42.5%))	A combination transaction for the construction of a building that includes 58 residential units, 43% of which are owners' apartments. During 2024, apartments were allocated to the rights holders in the project. During February 2025, ICR commenced marketing of the project. In December 2025, ICR entered into a bank financing agreement for the purpose of financing the project. In April 2026, after the report date, ICR received a building permit for the project.
Brodtzky, Tel Aviv (under ICR Israel Canada REM Holding Ltd. (42.5%))	A TAMA 38 project, at 33-39 Brodtzky St., in Ramat Aviv, Tel Aviv, comprising 166 residential units, of which 96 are owners' apartments. In November 2024, a committee decision was received to approve the project and in February 2026, the project's marketing began. ICR intends to enter into a bank financing agreement for the purpose of financing the project's construction.

Expected main management fees — Company's share, assuming sale of the entire inventory (NIS thousands):

Below are details regarding the future management fees expected in the projects[1]:

Project name and location	Management fees (NIS thousands)		Condition precedent for the formation of the purchasing group and receipt of management fees	Eligibility dates
	100%	Not yet received		
Blue Beach Project, Atlit	13,400	3,931	Rezoning of the land in accordance with the plan as detailed in Section 6.3.2.1 above	The eligibility date for receiving 80% of the funds has occurred. During 2025, a financing agreement was signed and approximately NIS 4.5 million was received. The balance of the management fees will be paid upon completion of the project.
Turquoise Project, Tel-Aviv	8,320	8,320	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a construction partnership agreement will be signed which will include, inter alia, milestones for receiving the management fees.
Hof Hatchelet Project, Herzliya[2]	14,000	14,000	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a construction partnership agreement will be signed which will include, inter alia, milestones for receiving the management fees.
Hod HaSharon (Shvil Hatapuzim)	24,000	24,000	Rezoning of the land in accordance with the plan as detailed in Section 6.3.2.1 above	14 days from the date of delivery of a notice of the approval of the plan for the rezoning of the land as detailed in the table in Section 6.3.2.1 of the 2025 Periodic Report
Netanya Project, Business Village	21,600	21,600	Rezoning of the land in accordance with the plan as detailed in Section 6.3.2.1 above	On the date of issuance of the first building permit in respect of each of the buildings
Hatzuk Hatzfoni, Tel Aviv	15,700	15,700	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a construction partnership agreement will be signed which

[1] In projects where residential rights are expected to be obtained, most management agreements include a provision regarding entitlement to different management fees in the event that rights for employment, commercial or other uses are approved.

[2] In this regard, it should be noted that, in addition to the purchasers who entered into co-ownership and management agreements with the Company under the management agreements, additional third parties holding approximately 4 dunams of the land also entered into co-ownership and management agreements with the Company in respect of the land.

Project name and location	Management fees (NIS thousands)		Condition precedent for the formation of the purchasing group and receipt of management fees	Eligibility dates
	100%	Not yet received		
				will include, inter alia, milestones for receiving the management fees.
Sunset Project	7,680	7,680	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a partnership agreement for construction will be signed which will include, among other things, milestones for the receipt of management fees.
Pi Glilot Compound	28,000	28,000	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a construction partnership agreement will be signed which will include, inter alia, milestones for receiving the management fees.
West Hod HaSharon	5,520	5,520	Residential rights for the land will be approved and allocated	According to the partnership agreement, after the approval of a detailed urban building plan (TABA), a construction partnership agreement will be signed which will include, inter alia, milestones for receiving the management fees.
Total	**138,220**	**128,751**	**---**	**---**

Summary of estimated data for major projects in Israel (NIS thousands):

Project Name	The Company's share in the project	Status	Scope of marketing as of March 31, 2026	Marketing scope to date	Expected timing of cash flow drawdown from the project [16]	Book value (Company's share) March 31, 2026	Balance of expected revenues (100%) as of March 31, 2026	Balance of expected revenues (Company's share) as of March 31, 2026	Average selling price per sqm (NIS thousands) [17]	Unrecognized gross profit (Company's share)[2]	Expected gross profit rate	Projected surplus at project completion (Company's share) before tax [18]
Four and Five, Ramat HaSharon residential rights[4]	81%	Planning	97%	97%	To be determined	16,782	508,287	411,713	Residential-7,480 Offices-5,000	394,930	96%	394,930
Four and Five, Ramat HaSharon, office rights[4]	81%	Planning	38%	38%								
Tzamarot Hod HaSharon (Shvil Hatapuzim)	80%	Planning/Zoning Plan Change	96%	96%	On the date of the plan's approval	3,749	14,873	11,899	1,736	8,149	68%	11,899
The North Cliff, Tel Aviv	100%	In planning	-	-	To be determined	63,483	140,800	140,800	2,200	77,317	55%	140,800
Turquoise, Tel Aviv	100%	In planning	90%	90%	To be determined	24,317	34,224	34,224	2,377	9,907	29%	34,224
Glilot Land and Shares Complex (Uptown)	64%	In planning	61%	61%	To be determined	56,265	242,924	155,471	11,017	99,206	64%	155,471
West Hod HaSharon	100%	In planning	93%	93%	To be determined	1,918	5,336	5,336	2,319	3,417	64%	5,336
Lapid Compound, Tel Aviv[5]	60%	In planning	-	-	To be determined	196,813	2,380,420	1,428,252	Residential — 135 Hotel shell — 35	647,876	45%	524,769
Mars House, 10 Tel Aviv	38%	In planning	-	-	To be determined	328,989	2,232,362	848,297	Residential-68 Commercial-40 Employment-23 Rental housing-34	206,129	24%	235,223
13 Ahad Ha'am, Tel Aviv	95%	Occupied	99%	99%	2026	2,603	7,173	6,814	Residential — 88	4,211	62%	6,814
Sunset Project, North Tel Aviv	100%	In planning	44%	44%	To be determined	80,249	118,800	118,800	20,146	38,551	32%	118,800
Business Village, Netanya	60%	In planning	37%	37%	To be determined	55,742	254,655	152,793	7,500	97,051	64%	152,793
Hof Hatchelet, Herzliya	-	In planning	100%	100%	On the date of the plan's approval	177	14,000	14,000	N/A	14,000	100%	14,000
The Northern Quarter, Herzliya	100%	In planning	47%	48%	2026-2027	85,388	163,040	163,040	10,397	77,652	48%	115,222
SHE Project, Tel Aviv[6]	81%	Under construction	4%	7%	2032	488,892	2,183,346	1,768,510	Residential — 140 Office shell — 40 Commercial — 50	600,376	34%	525,880
Midtown Jerusalem[7]	73%	Under construction	39%	41%	2030	1,053,987	5,380,291	3,927,613	Residential — 73 Offices — 22 Commercial — 40 Residential for rent — 57	847,983	22%	711,237
Beit HaNaara Complex Phase A, Hod HaSharon[8]	50%	Valid urban building plan	11%	13%	2030	459,341	2,944,734	1,472,367	42	390,493	27%	306,037
Beit HaNaara Complex Phase B, Hod HaSharon [8]	50%	Valid urban building plan	-	-	To be determined							
Rainbow, Tel Aviv[9]	100%	Under construction	59%	60%	2030	1,611,615	3,248,945	3,248,945	Residential — 85 Commercial — 45	604,166	19%	1,014,240
Vertical City, Ramat Gan [11]	55.9%	Under construction	39%	40%	2031	429,767	2,029,038	1,134,232	Offices — 28	295,262	26%	413,432
Dubnov, Tel Aviv[12]	80%	Valid urban building plan	11%	12%	2033	439,104	1,763,981	1,411,185	Residential- 95 Offices- 33	455,771	32%	420,745
Lev Bavli, Tel Aviv	50%	Under construction	14%	14%	2029	96,729	822,852	411,426	Residential-73	66,863	16%	132,688
People, Tel Aviv[13]	100%	Valid urban building plan	29%	31%	2033	362,927	1,509,610	1,509,610	Residential — 52 Commercial — 45	411,686	27%	423,427

Project Name	The Company's share in the project	Status	Scope of marketing as of March 31, 2026	Marketing scope to date	Expected timing of cash flow drawdown from the project [16]	Book value (Company's share) March 31, 2026	Balance of expected revenues (100%) as of March 31, 2026	Balance of expected revenues (Company's share) as of March 31, 2026	Average selling price per sqm (NIS thousands) [17]	Unrecognized gross profit (Company's share)[2]	Expected gross profit rate	Projected surplus at project completion (Company's share) before tax [18]
Total						**5,858,837**	**25,999,691**	**18,375,327**		**5,350,997**		**5,857,969**

(1) Assuming full realization of the inventory. If there are no actual sales, the Company relies on market prices or joinder agreements.
(2) The gross profit is calculated in accordance with generally accepted accounting principles and includes finance expenses until receipt of a building permit and does not include marketing and advertising expenses, and it includes the revenues from the sale of inventory (as defined in the Accounting Staff's Position). In the relevant projects — the revenues do not include a significant financing component – see details in the footnotes below.
(3) The Beit Mars and Vertical City projects are presented in the Company's financial statements under the item 'Investment in associates'.
(4) Four and Five Ramat HaSharon — for details, see Section B of this report.
(5) Lapid, Tel Aviv — The table above includes all the expected rights in the project. The interest rate was updated according to the prime interest rate known as of the date of publication of the reports. It should be noted that the sale price per sq.m. for the hotel operations reflects a fully finished hotel room at a high standard under a leading hotel brand.
(6) Yehuda Halevi (SHE Project), Binyan Leumi Tel Aviv — The table above includes all the rights in the project. The interest rate was updated according to the prime interest rate known as of the report publication date. It should be noted that the rights to the offices and commercial space are presented under the investment property line item in the Company's financial statements.
(7) Midtown Jerusalem — The table above includes all the rights in the project. The interest rate was updated in accordance with the prime interest rate known as of the date of publication of the reports. It should be noted that the rental housing, office, hotel, and commercial rights are presented under the investment property line item in the Company's financial statements. The revenues do not include a significant financing component of approx. NIS 59 million, which will be recorded under the other income item.
(8) Beit HaNaara, Hod HaSharon — The interest rate was updated in accordance with the prime interest rate known as of the date of publication of the reports. The number of units for marketing in Phase A is 94 residential units and in Phase B the number of units is 539 residential units.
(9) Rainbow, Tel Aviv — The table above includes all the expected rights in the project. The book cost does not include the capitalization of non-specific credit from the bonds. It should be noted that the commercial rights are presented under investment property in the Company's financial statements. The revenues do not include a significant financing component in the amount of approx. NIS 41 million, which will be recorded under other income.
(10) Beit Mars, Tel Aviv — The table above includes the expected rights in the project according to FAR 5. The plan is under the authority of a local committee.
(11) Vertical City, Ramat Gan — The data in the table above includes rights for 73,252 sq.m. of offices that the project company decided to classify as real estate inventory and sell as offices. The revenues do not include a significant financing component in the amount of approx. NIS 43 million that will be recorded under other income.
(12) Dubnov, Tel Aviv — The table above includes all the expected rights of the project.
(13) People, Tel Aviv — The data refers to all of the Company's rights in the project.
(14) Regarding ICR's main projects, see the following tables.
(15) The table does not include the land — Emek Bracha Tel Aviv and Kadima Zoran.
(16) The data presented does not include future management fees expected in the projects.
(17) The sale price for residential units includes VAT and for the other components excludes VAT. With respect to land, the prices refer to sqm of buildable area.
(18) The expected retained earnings balance does not include equity to be invested.

ICR[(1)] — Summary of estimated data in major projects in Israel (NIS thousands):

Projects under construction/marketing

Project Name	ICR's Share in the Project	Purchase date	Construction completion date	Units to be marketed in the project	Marketing scope as of March 31, 2026 (7)	Marketing scope as of the reporting date(7)	Book value of inventory as of 03.31.2026	Balance of gross profit not yet recognized(2)	Expected surplus balance at project completion, including equity invested (before tax)(3)
							(ICR's share)		
							NIS thousands		
Yam, Bat Yam	100%	Redevelopment project	Occupied	165	99%	99%	7,842	1,109	4,839
HaGefen, Bar Kokhba, Herzliya — Phase B	100%	Redevelopment project	Occupied	96	98%	99%	5,002	3,635	14,939
Ocean Park II, Netanya	100%	2020	Occupied	60	98%	100%	2,803	258	28,163
HaMesila, Herzliya	100%	2018	Occupied	27	93%	93%	12,172	1,425	11,180
AIR Givatayim	100%	Redevelopment project	2029	216	72%	73%	482,916	280,012	214,257
North Park A — Residential Lots 28+30 (5)	50%	2021	2027	299	89%	89%	153,913	55,062	61,409
Lot 29 North Park Phase A (5)	50%	2021	2029	79	1%	1%	98,343	30,403	38,707

Project Name	ICR's Share in the Project	Purchase date	Construction completion date	Units to be marketed in the project	Marketing scope as of March 31, 2026 (7)	Marketing scope as of the reporting date(7)	Book value of inventory as of 03.31.2026	Balance of gross profit not yet recognized(2)	Expected surplus balance at project completion, including equity invested (before tax)(3)
							(ICR's share)		
							NIS thousands		
North Park — Residential Lot 27 (5)	75%	2021	2027	170	75%	75%	321,157	42,108	125,466
North Park lots 24-26 (Eve), Ramat HaSharon (Phase B) (4)	50%	2021	2028	331	49%	50%	483,407	69,204	181,136
Pastoral (Hantke St.), Jerusalem	100%	Redevelopment project	2030	287	45%	47%	377,427	241,520	154,340
Tel Hashomer (Serenity), Ramat Gan	100%	2017	2029	33	39%	42%	4,294	18,902	28,485
Idmit (Jasmin), Givatayim (6)	100%	Redevelopment project	2030	76	18%	18%	16,502	63,610	87,009
Brodtsky, Tel Aviv (6)	100%	TAMA 38/2	2029	70	4%	17%	8,228	79,922	62,967
Total projects under construction							**1,974,006**	**887,170**	**1,012,897**

(1) ICR is held by the Company at a rate of 42.5% on a fully diluted basis and is presented in the financial statements under investment in associates. Following the acquisition of ICR, a purchase price allocation of approx. NIS 92 million was attributed to the cost of inventory of work in progress and inventory of land (the Company's share — 42.5%). As of March 31, 2026, the balance of the purchase price allocation stands at approx. NIS 7 million (after deductions).

(2) The gross profit does not include the project's advertising and marketing costs and it includes the revenues from the sale of inventory, net of the income for the significant financing component, which amounted to a total of approx. NIS 36 million in the AIR Givatayim project, approx. NIS 8.9 million in the North Park Phase B (EVE) project on lots 24, 26, approx. NIS 10.6 million in the North Park Phase A project on lot 27, and approx. NIS 24.4 million in the North Park Phase A project on lots 28, 30. Furthermore, the revenues do not include revenues from commercial space.

(3) The project's surplus balance represents the equity invested and the balance of the expected profit before tax, net of amounts released and withdrawn from the financing account, except for the surpluses in the Jasmin, Serenity, and Brodsky projects, which include both the equity invested and the remaining equity to be invested, in accordance with the requirements of the financing entities.

(4) ICR's share in the North Park Phase B lots (24-26) project — 50%.

(5) It should be noted that the surpluses of ICR in the North Park Phase A project are pledged to a banking entity for a loan received, the balance of which as of March 31, 2026 is NIS 76 million. The project's surplus amount is **before** deduction of the said loan.

(6) In the Jasmin Givatayim and Brodsky, Tel Aviv projects — the sales contracts are contingent upon the fulfillment of contingent conditions, which include, inter alia, receipt of a building permit. The sales contracts may be cancelled if the contingent conditions are not met within a period of 12 to 24 months from the date of signing the sales agreement.

(7) The marketing scope as of March 31, 2026 includes 2 signed subscription agreements that have not yet become contracts for a total of approx. NIS 9 million including VAT, and the marketing scope close to the report publication date includes 13 signed subscription agreements that have not yet become contracts for a total of approx. NIS 87 million including VAT.

Projects in planning/land reserves

Project Name	ICR's share	Purchase date	Building rights in the project		Book cost as of March 31, 2026	Average selling price per sq.m. (excluding VAT)	Expected gross profit	Equity invested in the project	Expected surplus at the end of the project including equity (before tax)
			Current planning status	Requested planning status			(ICR's share)		
							NIS thousands		
Herbert Samuel, Tel Aviv	33%	2016	Approx. 3,600 sq.m. for residential and commercial use	The advanced urban building plan documents include 24,188 sq.m. (residential — 8,811 sq.m., commercial and hotel — 15,377 sq.m.). The period for objections to the plan has ended and a hearing on the objections was held. A decision was received from the local committee to republish the plan for another deposit (106b).	87,588	To be determined	To be determined	41,421	To be determined
Compound 12, Netanya (Combination Transaction (Barter Transaction)) **	100%	2023	Approx. 200 residential units and public areas	A design plan is being advanced — it has been submitted for the municipality's approval.	599	29,203	62,167	599	42,374

Project Name	ICR's share	Purchase date	Building rights in the project		Book cost as of March 31, 2026	Average selling price per sq.m. (excluding VAT)	Expected gross profit	Equity invested in the project	Expected surplus at the end of the project including equity (before tax)
			Current planning status	Requested planning status			(ICR's share) NIS thousands		
				Expected approval of the design plan – July 2026.					
Ha'ari, Netanya (Combination Transaction (Barter Transaction))***	100%	2023	Agricultural land	Vacant land (agricultural) in a combination transaction (a barter transaction for real estate development), with an urban building plan in a coordination process with the Local Committee for 300 housing units and additional commercial space.	---	25,527	76,488	---	51,718
North Park, Neve Gan, Ramat HaSharon (Phase C) *	100%	2021	256 residential units and 820 sq.m. of commercial space	Lot 20 — An excavation and shoring permit was received. A decision was made to approve a full permit, subject to conditions, for lots 18-20.	720,460	49,153	*174,757	261,655	304,823
North Park, Neve Gan, Ramat HaSharon (Phase B) (EVE) — Lot 23	50%	2021	70 housing units	In preparation for submission of a design plan.	98,343	51,332	26,023	42,403	46,867
Total projects in planning / land reserves					**906,990**		**339,435**	**346,078**	**445,782**

* The financial data does not include commercial space

** The Compound 12 project, Netanya — a combination transaction (a barter transaction for real estate development), in which ICR's share is approx. 55%.

*** Ha'Ari Project, Netanya — A combination transaction, where ICR's share is approx. 60% in the residential component, while in the commercial component, the combination ratio has not yet been determined.

Urban renewal

Projects with over 67% signatures

Project Name	Project Description			Main Conditions Precedent for Project Commencement	Percentage of purchasers who have agreed and signed as of the balance sheet date	Planning status	Average selling price per sq.m. (excluding VAT)	Expected construction start date	Estimated construction completion date	Projected revenues	Expected gross profit	Expected surplus at project completion (before tax)
	Housing units in the project	Units for marketing	Sq.m. of commercial, hotel, and office space for marketing							(ICR's share) NIS thousands		
Hatzofim Complex, Lod	310	262	1,195	100% consent from the purchasers, signing of a financing agreement, approval New urban building plan (TABA) and a building permit	96%	Approved urban building plan. The design plan was approved with conditions that do not delay the opening of the permit application. An application was opened for an excavation and shoring permit and a full permit for the southern part of the complex.	21,588	2027	2031	618,460	105,306	71,533
Dizengoff, Netanya	191	129	528		96%	A design plan was approved. Submission of an application for an excavation and shoring permit —	26,393	2027	2031	424,645	73,606	52,429

Project Name	Project Description			Main Conditions Precedent for Project Commencement	Percentage of purchasers who have agreed and signed as of the balance sheet date	Planning status	Average selling price per sq.m. (excluding VAT)	Expected construction start date	Estimated construction completion date	Projected revenues	Expected gross profit	Expected surplus at project completion (before tax)
	Housing units in the project	Units for marketing	Sq.m. of commercial, hotel, and office space for marketing							(ICR's share) NIS thousands		
						February 2026, submission of a full permit — July 2026.						
Gapanov Compound, Ashdod	756	588	4,288		90%	The plan was recommended for deposit by the District Committee. Conditions for deposit are being completed.	23,488	2029	2033	1,370,979	225,909	143,478
Rothschild Bat Yam*	560	395	15,650		99%	The design plan was approved by the committee. Submission of an excavation and shoring permit — February 2026, submission of a full permit — expected July 2026.	32,096	2027	2031	741,390	136,758	108,079
Katamonim, Jerusalem	474	329	666		100%	Excavation and shoring permit received — December 2025. An amended city building plan for the addition of floors and housing units (493 units) after a discussion of objections. Plan documents are being amended according to the committee's decision for 106b. An application for a full permit has been received by the local committee.	31,672	2027	2031	1,156,512	251,411	195,878
86 Bar Kokhba, Herzliya	74	50	125		73%	Urban building plan under the authority of a local committee, which was discussed for deposit. ICR is working on completing the conditions for depositing the plan.	34,050	2029	2031	176,571	41,050	31,781
Gordon, Herzliya	170	114	0		88%	Approved plan. ICR is currently working on a design and planning program for a building permit. A design plan is being advanced with the Local Committee.	33,861	2028	2031	349,542	68,996	49,423
Kookies Complex, Bat Yam	171	114	520		98%	The plan has been deposited. Objections were received. Preparations are being made for a discussion of the objections in the District Committee.	28,891	2029	2033	371,807	67,599	46,704
Katznelson, Yehud	918	646	1,300		90%	The zoning plan was approved and validated, and the planning process has begun for the approval of a design plan for the four compounds.	25,755	2028	2032	1,749,063	253,297	159,524
Abba Hillel Rashi, Ramat Gan	200	128	370		87%	The Urban Building Plan was approved for validation and the planning process has begun. A design plan has been submitted.	34,847	2028	2032	506,304	78,212	50,577
Salomon, Netanya	325	213	484		88%	Urban Building Plan under the authority of the District Committee. Is in the pre-ruling stage with the municipality.	27,125	2029	2033	707,834	114,257	72,281
Somekh, Tel Aviv	454	292	5,481		73%	The District Committee has decided to expand the blue line and coordinate a pre-ruling with the District Committee; ICR is acting to annex adjacent	30,884	2029	2033	850,928	165,220	115,291

Project Name	Project Description			Main Conditions Precedent for Project Commencement	Percentage of purchasers who have agreed and signed as of the balance sheet date	Planning status	Average selling price per sq.m. (excluding VAT)	Expected construction start date	Estimated construction completion date	Projected revenues	Expected gross profit	Expected surplus at project completion (before tax)
	Housing units in the project	Units for marketing	Sq.m. of commercial, hotel, and office space for marketing							(ICR's share) NIS thousands		
						compounds. In parallel, an objection was filed to outline plan TA/5500.						
Frog, Ramat Gan	413	254	0		78%	Plan under the authority of the District Committee. A pre-ruling is being held with the Local and District Committees ahead of the selection of a planning alternative.	38,119	2030	2034	887,339	150,845	98,600
Pearl of Ayalon, Tel Aviv	137	68	26,510		74%	ICR, in coordination with the Tel Aviv Municipality, is promoting an urban building plan. Awaiting discussion in the City Engineer's forum — expected June 2026. In parallel, an objection was filed to the TA/5500 outline plan.	44,372	2030	2034	798,533	217,560	173,993
Maonot Sarah, Herzliya	645	401	1,078		75%	The plan was recommended for deposit under the authority of the Local Committee. Conditions for deposit are being completed.	36,185	2029	2033	1,337,632	251,289	173,519
HaRo'eh-Negev, Ramat Gan	257	158	191		78%	Plan under the authority of the District Committee. A pre-ruling is being held with the Local and District Committees ahead of the selection of a planning alternative.	32,822	2030	2034	519,237	73,272	41,659
Haifa, Struma (Phase A)	839	640	255		79%	The plan was approved for validation. ICR is currently working on a design plan.	19,617	2029	2033	1,428,523	223,815	148,935
Haifa, Struma (Phase B)	853	664	1,195		78%		21,072	2029	2033	1,525,773	255,358	170,637
Haifa, Struma (Phase C)	660	500	1,460		74%		22,264	2029	2033	1,250,429	236,181	167,870
Derech HaHagana, Tel Aviv	346	218	500		67%	The plan is in the pre-ruling stage. An objection to TA/5500 was filed concurrently.	31,171	2030	2034	642,863	137,936	100,963
Hord A, Or Yehuda	350	262	0		72%	ICR is in discussions with the Local Committee regarding the project's planning in light of the height restrictions in the complex.	24,515	2029	2033	730,831	138,624	95,140
Rabbi Akiva Rasko, Holon	516	341	380		71%	The plan has been deposited after a discussion of objections. Awaiting the publication version for Procedure 106b after the addition of rights.	27,842	2028	2032	1,006,900	163,506	103,298
Mishmar HaYarden, Givatayim	290	178	0		69%	ICR has begun to act to prepare an urban building plan under the authority of the District Committee. At this stage, a pre-ruling process has begun with the Local Committee.	42,060	2030	2034	688,940	132,293	92,026
HaGibor HaAlmoni, Tel Aviv	180	100	467		68%	ICR filed an objection to plan TA/5500 and, in parallel, is advancing planning.	43,123	2030	2034	320,949	31,170	11,052
Sheshet Hayamim, Netanya	301	207	550		73%	The plan is in the pre-ruling stage with the Local Committee for the purpose of	26,959	2030	2034	599,699	103,291	67,027

Project Name	Project Description			Main Conditions Precedent for Project Commencement	Percentage of purchasers who have agreed and signed as of the balance sheet date	Planning status	Average selling price per sq.m. (excluding VAT)	Expected construction start date	Estimated construction completion date	Projected revenues	Expected gross profit	Expected surplus at project completion (before tax)
	Housing units in the project	Units for marketing	Sq.m. of commercial, hotel, and office space for marketing							(ICR's share) NIS thousands		
						selecting an agreed-upon planning alternative.						
Rothschild, Rishon LeZion	900	625	21,995		67%	In initial coordination with the municipality	33,256	2032	2036	2,137,905	380,795	264,636
New Iceland, Jerusalem**	700	571	9,268		85%	Approved urban building plan and design plan. Advancing submissions for permits and detailed planning.	30,300	2028	2032	1,222,395	289,172	166,215
Total Urban Redevelopment	**11,990**	**8,447**	**94,456**							**24,121,983**	**4,366,728**	**2,972,548**

* ICR holds 50% of the project.
** ICR holds 65% of the project.

Projects with under 67% signatures

Project Name	Project Description			Main Conditions Precedent for Project Commencement	Percentage of purchasers who have agreed and signed as of the balance sheet date	Planning status	Average selling price per sq.m. (excluding VAT)	Projected revenues	Expected gross profit	Expected surplus at project completion (before tax)
	Residential units in the project	Residential units for marketing	Sq.m. of commercial, hotel, and office space for marketing					(ICR's share) NIS thousands		
Hahoresh B, Or Yehuda	350	262	---	100% consent from the purchasers, signing of a financing agreement, approval New urban building plan (TABA) and a building permit	51%	ICR — In discussions with the Local Committee regarding the project's planning in light of the height restrictions in the compound.	24,515	732,044	146,487	103,026
Ancho Sereni, Givatayim *	736	424	12,137		12%	An outline plan was validated by the district. ICR intends to promote a consolidation and parcellation plan with the local committee.	39,274	928,029	187,356	132,327
Pinkas Tel Aviv	61	33	---		54%	In a pre-ruling with the Tel Aviv Municipality given the unique location of the lot.	59,998	154,856	33,738	24,659
Perchei Aviv, Tel Aviv	168	88	---		45%	An objection was filed in light of NOP 70 to plan TA/5500.	47,650	356,391	46,784	24,602
Total Urban Redevelopment	**1,315**	**807**	**12,137**					**2,171,320**	**414,365**	**284,614**

* ICR holds 50% of the project

Forward-looking information

It should be emphasized that the Company's estimates above, including, inter alia, forecasts and assessments regarding obtaining rezoning for the land and/or the scope of building rights on the land and/or obtaining building permits, the timetables for the start and completion of construction in the projects, including the expected date for drawing cash flow from the project, the total expected revenues, the average price per sq.m., the total expected gross profit in the projects and its rate, the remaining surplus including an estimate of the equity to be invested, the estimated cash flow to be received (the Company's share) and the management fees in the Company's various projects, which are contingent on the conditions detailed in the table above, constitute 'forward-looking information' (as this term is defined in the Securities Law, 1968), which is based on the experience of the Company and its partners in the various projects, on the full realization of the inventory at prices consistent with actual sales. These parameters are largely dependent on external factors, such as obtaining the required permits for the execution of the projects, including the rezoning of the Company's lands (both in their actual receipt and in their receipt by the date forecasted by the Company and its project partners), including a change in the city building plan with respect to redevelopment projects, as well as the signing of agreements by all existing owners, the Company's compliance with the requirements of the various authorities and their issuance of the relevant permits; on cooperation between the partners, on the decisions they will make during the construction of the projects and on the provision of the required equity from them (including from the Company) according to the signed agreements; on the partners' compliance with the terms of the financing agreements signed in connection with the relevant projects (including the provision of equity) and the non-occurrence of the grounds for immediate repayment stipulated therein; on entering into financing agreements for projects whose execution has not yet begun; on entering into agreements with an executing contractor and other suppliers for the execution of projects whose execution has not yet begun and at the costs forecasted for this by the Company, which are based on current market conditions; effects due to the security situation as detailed in Section B.3 below; on regulation that may apply to redevelopment projects and/or a change and/or tightening of regulation in the Company's various areas of activity; on actual construction and financing costs at the time they are incurred (which may change compared to the costs forecasted by the Company, including a material change), on maintaining the sales price levels currently prevailing in the real estate market (which may change, including a material change, inter alia, in light of changes in the economic environment in which the Company operates, including the rise in interest rates and inflation as detailed in Section B.6 and increases in construction costs and the Construction Input Price Index as detailed in Section B.7 below, and inter alia, in light of frequent changes in tax regulation), as well as on the authorities' decisions regarding the approval of land zoning plans — and there is no certainty that this will be the actual state of affairs. These factors may significantly change the Company's estimates detailed above.

In the Company's assessment, as of this date, the main factors that could cause the forward-looking information not to materialize are that there will be no rezoning of the Company's land and/or change in the city building plan in accordance with the intentions of the Company and its partners; construction of the projects will not be possible or will be delayed for various reasons, such as the Company's failure to meet the authorities' requirements for obtaining permits and/or failure to receive appropriate permits for the projects or receiving them later than anticipated by the Company; failure of the partners to comply with the financing agreements signed in connection with the relevant projects (including the provision of equity) or the occurrence of any of the grounds for immediate repayment stipulated therein, which would lead, if at all, to a demand for immediate repayment of the loans provided; the Company's failure to enter into financing agreements for the relevant projects; the executing contractor or other suppliers involved in the projects encountering financial difficulties; any of the investors and/or any of the Company's partners in the relevant projects encountering financial difficulties that would prevent them from continuing to finance their share in the projects; a deviation from the expected project scope, which could result from increases in construction costs as detailed in Section B7 below (including labor shortages), from taxes and/or levies imposed on the purchase and development of the land, and the like; the effects of the security situation as detailed in Section B.3 below; a deterioration in the economic environment, including the effects of rising interest rates and inflation as stated in this Board of Directors' Report below, which will adversely affect the price environment in which the Company operates, leading to a decrease in the sales volume projected by the Company, as well as a decrease in the gross profit stated by the Company above and, accordingly, a decrease in the Company's surpluses in the various projects. Therefore, there is no certainty that the above information will materialize, and it may even be materially different from the foregoing.

B.1. Financial Position

The Company's total assets as of March 31, 2026 amount to approx. NIS **13,208** million, compared to approx. NIS **12,641** million as of December 31, 2025. The increase in the Company's total assets as of March 31, 2026 is explained below:

	As of 31.03.2026 NIS thousands	As of 31.03.2025 NIS thousands	As of 31.12.2025 NIS thousands	Explanations for the material changes that occurred compared to December 31, 2025
				Current assets
Cash and cash equivalents	428,656	401,626	145,162	See Section B.4. Liquidity below.
Restricted cash and deposits in construction-financing accounts	48,304	92,670	73,399	The decrease in the balance results from receipts from purchasers in the Rainbow and Midtown Jerusalem projects, which were used to repay the project financing loans.
Financial assets at fair value	94,361	89,881	91,321	The increase in the balance is mainly due to an increase in the fair value of the shares of Norstar Inc. ("Norstar").
Receivables for the sale of real estate inventory	43,256	47,467(*)	52,872	The decrease in the balance is mainly due to receipts for land units sold in the Northern Quarter Herzliya project and in the Four and Five project, Ramat HaSharon.
Contract assets	26,496	4,853(*)	40,362	The decrease in the balance is mainly due to the sale of apartments in the Rainbow project.
Other accounts receivable	153,186	117,674	129,603	The increase in the balance is mainly due to income receivable for marketing fees and debtors for VAT.
Income tax receivables	4,103	7,471	3,100	---
Debtors and debit balances from hotel operations	82,189	44,183	90,768	The decrease in the balance is mainly due to payments from customers in the hotel company.
Real estate inventory	486,877	458,670	437,494	The increase in the balance is mainly due to the purchase of land in Kadima Zoran for approx. NIS 51 million. For further details, see Note 4(e) to the Company's consolidated financial statements.
Inventory of buildings under planning and construction	3,080,814	2,945,110	3,070,561	---
Advances on account of real estate inventory	-	16,250	26,461	The decrease in the balance is due to the completion of the land acquisition in the Kadima Zoran project. For further details, see Note 4E to the Company's consolidated financial statements.
Total current assets	**4,448,242**	**4,225,855**	**4,161,103**	
				Non-current assets
Investments and loans in investee companies accounted for using the equity method, net	1,516,393	1,330,471	1,511,250	---
Long-term real estate inventory	1,515,308	1,162,407	1,491,464	---

	As of 31.03.2026 NIS thousands	As of 31.03.2025 NIS thousands	As of 31.12.2025 NIS thousands	Explanations for the material changes that occurred compared to December 31, 2025
	Current assets			
Investment property	3,300,974	3,041,022	3,285,094	The increase in the balance is mainly due to investments made in the Midtown Jerusalem project in the amount of approx. NIS 8 million, in the SHE project in the amount of approx. NIS 6 million, and in the HQ project in the amount of approx. NIS 5 million.
Advances on account of investment property	57,976	17,695	21,206	The increase in the balance is mainly due to advance payments for the purchase of additional areas in the HQ Herzliya project. For further details, see Note 4C of the Company's consolidated financial statements.
Property, plant and equipment	892,868	817,060	877,432	The increase in the balance is mainly due to investments in hotels in the hotel company.
Long-term restricted cash and deposits	9,301	6,333	9,549	---
Right-of-use assets	1,257,141	419,586	1,080,037	Reflects the application of International Financial Reporting Standard 16 (IFRS 16) in respect of lease agreements, within the framework of the Company's hotel operations. The increase is mainly due to the recognition of a lease in respect of new lease agreements at Club Hotel Tiberias for approx. NIS 120 million, The George for approx. NIS 53 million, and a hotel in Greece for approx. NIS 19 million.
Debtors and debit balances	9,664	7,863	9,585	---
Deferred tax assets	42,963	32,396	36,483	---
Investments and other assets	17,693	27,212	17,081	---
Goodwill and intangible assets	139,203	-	140,671	---
Total non-current assets	**8,759,484**	**6,862,045**	**8,479,852**	
Total assets	**13,207,726**	**11,087,900**	**12,640,955**	

	As of 31.03.2026 NIS thousands	As of 31.03.2025 NIS thousands	As of 31.12.2025 NIS thousands	Explanations for the material changes that occurred compared to December 31, 2025
	Current liabilities			
Credit from banking corporations and current maturities of long-term loans	3,262,296	2,625,572	3,451,761	The decrease is mainly due to the classification of loans in the assisted living project and the Emek Bracha project as long-term.
Current maturities of bonds	292,318	269,254	292,150	---
Current maturities of lease liability	56,095	22,165	45,921	---
Suppliers and service providers	58,003	41,165	61,196	---
Payables and credit balances	362,312	265,611	340,231	The increase in the balance is mainly due to the recording of a provision for dividend payment. For further details, see Note 4(q) to the Company's consolidated financial statements.
Liability for current taxes	1,187	11,475	2,170	---

Liability in respect of contracts with customers	663,169	533,393	656,492	The increase in the balance is mainly due to payments made by purchasers in the Midtown Jerusalem and Rainbow projects. In both projects, the Company began recognizing revenue according to the percentage of completion in accordance with International Financial Reporting Standard 15 (IFRS 15).
Liability for providing construction services	285	4,200	1,140	---
Loans from others	3,583	2,514	3,567	---
Total current liabilities	**4,699,248**	**3,775,349**	**4,854,628**	
	Non-current liabilities			
Long-term loans from banking corporations	1,863,089	2,117,916	1,640,721	The increase is mainly due to the reclassification of loans in the assisted living facility project and in the Emek Bracha project from short-term.
Loans from others and other liabilities	14,000	9,739	15,564	---
Bonds	1,286,309	1,050,788	1,137,987	---
Lease liabilities	1,236,358	439,066	1,055,408	Reflects the application of International Financial Reporting Standard 16 (IFRS 16) for lease agreements, within the framework of the Company's hotel operations. The increase is mainly due to the recognition of leases for new hotels: Club Hotel Tiberias, The George Tel Aviv, and a hotel in Greece.
Deferred tax liabilities	177,125	159,539	175,392	---
Long-term liability for providing construction services	-	570	-	---
Other non-current liabilities	17,539	11,498	17,385	---
Total non-current liabilities	**4,594,420**	**3,789,116**	**4,042,457**	
Total equity (including non-controlling interests)	**3,914,058**	**3,523,435**	3,743,870	The increase in the balance is mainly due to an issuance of shares in the amount of approx. NIS 180 million and from the recognition of a capital reserve with the minority as a result of a decrease in the holding rate in the hotel company and a decrease in the holding rate in the assisted living company. For further details, see Notes 4F, 4H and 4M, respectively, in the Company's consolidated financial statements.
Total liabilities and equity	**13,207,726**	**11,087,900**	**12,640,955**	

(*) Reclassified

Equity

The total equity of the Company, attributable to the Company's shareholders, as of March 31, 2026 and as of December 31, 2025, amounted to a total of approx. NIS 2,818 million and approx. NIS 2,689 million, respectively.

Working capital

As of March 31, 2026, the Company has a negative working capital in the consolidated report of approx. NIS 251 million, compared to a negative working capital in the consolidated report of approx. NIS 693 million as of December 31, 2025. The decrease in working capital is due to an increase in current assets in parallel with a decrease in current liabilities as detailed above. In the solo report, the Company has a positive working capital, see Section B.6 of this report.

B.2. Results of Operations

	For the 3 months ended March 31		For the year ended December 31	Explanations for the material changes compared to the 3 months ended March 31, 2025
	2026	2025	2025	
Revenues:				
Revenues from the sale of residential apartments and offices	51,385	22,722	214,123	The increase in revenues compared to the corresponding period last year is mainly due to revenues from the sale of apartments in the Rainbow project and the Midtown Jerusalem project and revenue recognition according to the rate of progress in accordance with the provisions of IFRS 15.
Revenues from the sale of real estate inventory	17,572	39,583	132,743	The balance in the period results mainly from the sale of land units attributed to the Northern Quarter project in Herzliya.
Revenues from rental and management of investment property	22,323	21,796	86,065	---
Revenues from the rental of real estate inventory	5,681	6,107	24,892	---
Revenues from management fees	-	4,511	4,511	The balance in the corresponding period results from management fee income in the Kachol Atlit project.
Revenues from the operation and management of hotels	55,968	55,928	389,809	---
Marketing and brokerage revenues	2,573	4,768	14,929	---
Revenues from construction services	855	446	4,076	---
Increase in fair value of investment property	1,981	-	156,087	---
Company's share of profits of investments accounted for using the equity method, net of tax	6,098	16,897	106,256	The decrease is mainly due to income from the Morgal company in Russia and from ICR that were recorded in the corresponding period last year.
Other income	2,195	536	5,860	
Total revenues	**166,631**	**173,294**	**1,139,351**	
Expenses and costs:				
Cost of sale of residential apartments and offices	42,887	16,461	172,200	The increase in the cost of sales compared to the corresponding period last year is mainly due to the sale of apartments in the Rainbow project and the Midtown Jerusalem project and the recognition of revenue according to the rate of progress in accordance with the provisions of IFRS 15.
Cost of sale of real estate inventory	9,186	19,618	64,715	The balance in the period results mainly from the sale of land units attributed to the Northern Quarter project in Herzliya.
Rental cost	11,489	10,082	45,091	---
Cost of operating and managing hotels	97,735	60,937	402,354	The increase is due to an increase in the hotel company's activity.
Decrease in fair value of investment property	14,298	15,182	51,410	---
Costs from providing construction services	855	446	4,076	---
General and administrative expenses	14,822	12,519	64,931	---
Marketing and selling expenses	12,371	11,457	69,860	---
Company's share of losses of investments accounted for using the equity method, net of tax	18,405	12,329	29,978	---
Other expenses	-	-	180	---
Total expenses and costs	**222,048**	**159,031**	**904,795**	
Operating profit (loss)	**(55,417)**	**14,263**	**234,556**	
Listing expenses	--	--	(53,909)	
Changes in financial assets measured at fair value through profit or loss	13,769	(38,750)	(61,436)	The profit is mainly due to an increase in value from the investment in Norstar shares; the loss in the corresponding period last year was due to a decrease in value in the investment in Norstar shares.
Finance income	15,308	18,310	96,550	---
Finance expenses	(73,673)	(25,566)	(208,555)	The increase in the balance is mainly due to finance expenses for projects that have reached the revenue recognition stage in accordance with the provisions of IFRS

	For the 3 months ended March 31		For the year ended December 31	Explanations for the material changes compared to the 3 months ended March 31, 2025
	2026	2025	2025	
				15, and from an increase in finance expenses due to the expansion of hotel operations, including finance expenses for leases.
Profit (loss) before taxes on income	**(100,013)**	**(31,743)**	**7,206**	
Income taxes	8,835	7,674	(6,497)	---
Profit (loss) for the period	**(91,178)**	**(24,069)**	**709**	
Exchange differences on translation of foreign operations	(5,993)	(1,627)	(8,103)	---
Changes in the fair value of a financial liability designated at fair value through profit or loss attributable to changes in credit risk, net of tax	--	--	943	---
Changes in financial assets through other comprehensive income	(9,984)	--	(10,063)	---
Profit (loss) from revaluation of property, plant, and equipment, net of tax	1,167	(451)	9,103	---
Total comprehensive income (loss)	**(105,988)**	**(26,147)**	**(7,411)**	

B.3. The Security Situation

Further to that stated in Section 5 of the Report on the Description of the Corporation's Business, as of this date, the main effects of the security situation in Israel (including the campaign against Iran, with which the ceasefire is still in effect as of this date), on the Company's activity as of the date of publication of the report, are as follows:

The real estate development field – As of the publication date of this report, and despite the security events during the current quarter as a result of Operation "Roaring Lion", activity at the sites is generally proceeding as usual. It should be emphasized that with the start of Operation "Roaring Lion", a 'special situation in the home front' was declared, and the general directive was to cease work activities in non-essential workplaces. However, the construction industry was officially defined as an essential industry, and therefore, subject to the established conditions, work could continue during the state of emergency. In this context, the Company's construction sites operated as usual even before the ceasefire, subject to compliance with the relevant safety and security guidelines. As of the report date, there has been no material impact on the progress rate of the Company's projects. The Company continues to monitor developments and adapt its operations in accordance with the directives of the competent authorities. For a discussion of the impact of the security situation on the rise in construction prices, see Section B.7 of this report.

The income-producing real estate segment — As of the date of this report, the occupancy rate in the Company's existing properties is high (approx. 97% on average), and in addition, the scope of property lease engagements that the Company is required to renew in the near future is not material, as most of the existing lease agreements are for long-term periods.

Hotel management area — With the outbreak of Operation "Roaring Lion", there were cancellations of reservations and a significant decrease in the occupancy of the Group's hotels. Unlike previous emergency situations, the number of evacuees in the hotels decreased significantly. In light of this and as an immediate response, the hotel company's management acted to adjust the structure of operating expenses, including closing some of the hotels and placing employees on unpaid leave. As of the date of publication of the report, most of the Group's hotels have returned to operation, but occupancy rates are still affected by the uncertainty regarding the security situation. As part of the lease agreements and understandings with some of the Company's lessors, adjustments were made to the lease payments for activity in some of the Company's hotels in relation to the period of Operation "Roaring Lion".

Notwithstanding the above, it should be emphasized that given the existing uncertainty regarding security developments (which depend to a large extent on developments in the regional and international arenas), and the fact that this is a dynamic event characterized by great uncertainty, the Company is unable to reliably assess the extent of the possible effects of the security situation, if any, on its operations, financial

condition, and results. For details about the possible effects of the prolongation and expansion of the war on the Company, see Section 5 of the Report on the Description of the Corporation's Business for 2025.

The Company continues to monitor on an ongoing basis the relevant security and macroeconomic developments, to examine their possible effects on its operations, and to take, as required, appropriate managerial and operational measures in order to reduce exposure (if any) to risks and to maintain the continuity of its business operations.

B.4. Liquidity

The Company's cash and cash equivalents balance as of March 31, 2026 amounted to approx. NIS 429 million, compared to approx. NIS 145 million as of December 31, 2025, an increase of approx. NIS 284 million in the cash balance, as detailed below:

Section	As of March 31		As of December 31	Explanation
	2026	2025	2025	
Net cash (used in) operating activities before activity in real estate assets and liabilities	(39,996)	(145,418)	(87,943)	The main changes in cash flows from operating activities stem from purchases and investments in land inventory in the amount of approx. NIS 57 million, mainly as a result of the purchase of land in Kadima Zoran, and from a net loss of approx. NIS 91 million. On the other hand, from depreciation and amortization of property, plant and equipment and right-of-use assets in the amount of approx. NIS 27 million.
Net cash used in continuing operating activities	(96,849)	(287,280)	(660,952)	
Net cash provided by (used in) continuing investing activities	(107,652)	311,350	49,987	The main changes in cash flow stemmed mainly from the payment of advances on account of investment property in the amount of approx. NIS 37 million, mainly as a result of the acquisition of additional areas in the HQ project, from purchases and investments in property, plant and equipment in the amount of approx. NIS 30 million, and from purchases and investments in investment property, net, in the amount of approx. NIS 29 million.
Net cash provided by (used in) continuing financing activities	488,955	(31,886)	347,119	The main changes in cash flow stemmed mainly from the issuance of shares, net, in the amount of approx. NIS 180 million, from the issuance of bonds by the hotel company in the amount of approx. NIS 148 million, and from transactions with non-controlling interest holders in the amount of approx. NIS 92 million.
Change in cash and cash equivalents	283,494	(8,650)	(265,114)	---
Cash and cash equivalents balance at the beginning of the year	145,162	410,276	410,276	
Cash and cash equivalents balance at year-end	428,656	401,626	145,162	

B.5. Financing Sources

The corporation's main financing sources:

1. The Company's Bonds (Series G), see Section E below.
2. The Company's Bonds (Series H), see Section E below.
3. The Company's Bonds (Series I) which were issued after the balance sheet date and Section E below. For further details, see Note 5C to the Company's consolidated financial statements.
4. Loans that the Company takes from time to time for the purpose of projects and/or land and/or assets, including in the Rainbow Tel Aviv, Midtown Tel Aviv, Midtown Jerusalem, and Vertical City projects.
5. The average balance of the Company's short-term credit, including credit from banking corporations, loans from others, current maturities of bonds, and current maturities of long-term loans, amounted to approx. NIS 3.6 billion.
6. The average balance of long-term liabilities, which includes credit from banks, loans from others, and bonds, amounted to a total of approx. NIS 3 billion.
7. The average balance of trade payables amounted to approx. NIS 59 million.
8. Issuance of shares for a total amount of approx. NIS 180 million, as detailed in Note 4F to the Company's financial statements as of March 31, 2026.

Below are details regarding the Company's compliance with the financial covenants of its material loans[3], in addition to the Company's bonds (Series G, H, and I), the terms of which are detailed in Section D below:

[3] Material loan agreements for this purpose include loan agreements and material loan agreements, as defined in Legal Position 104-15: Reportable Credit Event of the Israel Securities Authority, as detailed in Section 15.2 of the 2025 Barnea Report.

	Loan	The borrowing corporation (date the loan was provided)	Original loan facility amount (NIS thousands)	Principal balance as of March 31, 2026 (NIS thousands)	Financial Covenants / No Change of Control Undertaking	Method of Calculation of Financial Covenants and its Results as of March 31, 2026
1.	**Local bank**	The Company and subsidiaries held at a rate of between 60%-100%	Refers to all loans provided by the local bank to companies in the Group (including the Rainbow project, Tel Aviv)	2,472,541	(a) The Company's consolidated equity, excluding non-controlling interests, shall not, at any time, be less than an amount equal to 17% of the Company's total assets (according to the consolidated financial statements) (b) The Company's equity-to-balance-sheet ratio (solo) (excluding minority interests) shall not be less than 37.5%. (c) (C) The Company's total consolidated equity, excluding non-controlling interests, shall not at any time fall below NIS 1,200 million. (d) The Company's consolidated equity, not including non-controlling interests (but including loans granted to the Company that are included in the consolidated equity), shall not, at any time, be less than an amount equal to 22% of the Company's total assets (according to consolidated financial statements). (e) There shall be no change in the controlling shareholders compared to the current situation, such that Asaf Touchmair and Barak Rosen both cease to be controlling shareholders in the Company. Furthermore, there shall be no other shareholders in the Company whose holding rate in the Company's shares exceeds 32%.	(a) The Company's equity-to-total consolidated balance sheet ratio as of 03.31.26 is approx. 21.3% — compliant. (B) The Company's equity-to-total-balance-sheet ratio (solo) as of March 31, 2026 is approx. 63.2% — in compliance. (c) The amount of equity in the consolidated balance sheet as of March 31, 2026 amounts to approx. NIS 2,818 million – compliant. (d) The ratio of the Company's consolidated equity, excluding non-controlling interests (but including loans granted to the Company which are included in the consolidated equity), to the total assets is approx. 26.7% — in compliance. (e) No such change has occurred.
2.	**Local bank**	A company held at a rate of 55.9% that holds the Vertical City project	1,290,000	1,076,508	(a) The Company's consolidated equity, excluding non-controlling interests, shall not, at any time, be less than an amount equal to 17% of the Company's total assets (according to the consolidated financial statements). (b) The ratio of the Company's equity (excluding non-controlling interests) to the Company's total separate (solo) balance sheet will not be less than 30%. (c) The Company's consolidated equity, excluding non-controlling interests, shall not, at any time, be less than a total of NIS 475 million. (d) The Company's consolidated equity, not including non-controlling interests (but including loans granted to the Company that are included in the consolidated equity), shall not, at any time, be less than an amount equal to 22% of the Company's total assets (according to consolidated financial statements). (e) There will be no change in the controlling shareholders compared to the current situation, such that Asaf Tuchmair and Barak Rosen will both cease to be controlling shareholders in the Company. Furthermore, there will be no additional shareholders in the Company whose holding rate in the Company's shares exceeds 32%.	(a) The Company's equity-to-total consolidated balance sheet ratio as of 03.31.26 is approx. 21.3% — compliant. (b) The Company's equity-to-balance-sheet ratio (solo) as of March 31, 2026 is approx. 63.2% — compliant. (C) The amount of equity in the consolidated balance sheet as of March 31, 2026 is approximately NIS 2,818 million — Compliant (D) The Company's consolidated equity ratio, excluding non-controlling interests (but including loans granted to the Company that are included in consolidated equity), to total assets is approximately 26.7% — Compliant (e) A change occurred with the entry of Clal Insurance into the Vertical City project, with the Bank's consent.
3.	**Local bank**	A 73%-held company that holds the Midtown Jerusalem project	1,560,000	912,936	No change of control shall occur without obtaining the Bank's prior written consent. "Control" for this purpose is as defined in the Securities Law, 5728-1968, including holding together with others. Notwithstanding the foregoing, it is agreed that: Decrease in Asaf's holdings A decrease in the holdings of Tochner and Barak Rosen together in the Company to a rate not less than 32% of the means of control in the Company, provided that they remain the controlling shareholders in Israel Canada at all times, will not constitute a breach of the agreement and the bank's consent will not be required for this. A decrease in the holdings of the Company and Pangaea together in the project company to a rate of not less than 70% of the means of control in the project company, provided that the Company and Pangaea remain the controlling shareholders in the project company at all times, will not constitute a breach of the agreement and the bank's consent will not be required for this.	In order.

B.6. Disclosure in accordance with Section 10(b)(14) of the Periodic and Immediate Reports Regulations, 1970

The Company's Board of Directors has examined whether there are any warning signs, as defined in Regulation 10(b)(14) of the Reporting Regulations, in the Company's consolidated reports as of March 31, 2026 and in the separate financial information report (solo) as of March 31, 2026, as detailed below.

Below are details regarding the working capital and the ongoing cash flow from operating activities

		Consolidated Financial Statements as of March 31, 2026 (in NIS millions)	**Separate financial information (solo) as of March 31, 2026 (in NIS millions)**
Working capital	**Working capital**	(251)	77
	Working capital for a period of 12 months	139	77
Ongoing negative cash flow from operating activities		Yes	Yes

Below are details regarding the working capital for the 12-month period in the Company's consolidated statements as of March 31, 2026

	The amount included in the financial statements as of March 31, 2026 (NIS millions)	**Adjustments (for a 12-month period) (NIS millions)**	**Total (NIS millions)**
Current assets	4,448	(1,854)	2,594
Current liabilities	4,699	(2,244)	2,455
Excess of current assets over current liabilities	(251)	390	139

As of March 31, 2026, the Company has a continuing negative cash flow from operating activities in the consolidated statements and in the separate financial information report (solo), and a working capital deficit in the Company's consolidated statements.

It should be noted that the negative working capital results from the reclassification of long-term loans to short-term against pledged assets. The Company estimates that it will be able to refinance the loans for the long term and/or obtain financing for development projects.

However, the Company's Board of Directors determined that the ongoing negative cash flow from operating activities in the consolidated financial statements and in the solo report and the recurring deficit in the Company's consolidated reports, as stated above, do not indicate a liquidity problem in the corporation and therefore there is no warning sign as defined in Regulation 10(b)(14) of the Reporting Regulations, for the reasons detailed below: the Company has a balance of cash, cash equivalents, and liquid financial assets as of the report publication date of approx. NIS 585 million, the Company has positive working capital for a period of 12 months in the consolidated financial statements, and the Company also has positive working capital, including for a period of 12 months in the solo financial report, and in light of a review by the Company's management of the Company's projected cash flow. The main assumptions of the cash flow are detailed below:

- The Company signed financing agreements for the Midtown Jerusalem project and the Rainbow project.
- With respect to the Vertical City project – the project company entered into a credit facility agreement and a payment voucher arrangement. In the Company's assessment, in the next two years, no additional equity injection will be required in the Vertical City project, and the activity in the project will be financed from the project company's own resources (including from proceeds from purchasers) and/or from external financing that the project company will take.
- The Company estimates that in projects with financing, the proceeds from the purchasers will be used to pay the principal and interest and for the construction of the project.
- The Company signed a payment voucher arrangement for the "SHE" project and the "People" project during the second quarter of 2026.
- The Company issued Series I Bonds after the report date for a total consideration of approx. NIS 305 million.
- Renewal of existing bank credit facilities that are maturing, at customary financing rates for the pledged assets:
  A. Income-producing property – financing at an LTV of approx. 75%.
  B. Real estate assets – financing at an LTV of up to 60%.

- The Company's outstanding bond principal (net) as of March 31, 2026, will remain at the same level for the next two years (excluding the expected merger transaction).
- Sale of land (Four and Five/Herzliya North Quarter) and/or bringing in partners and/or allocation in investee companies in an average scope of approx. NIS 130 million on average per year.
- Distribution of dividends – in amounts similar to the distribution amounts in the last two years.
- Financing the cash component in the Acro transaction (approx. NIS 1.24 billion) — The Company intends to finance the cash component using cash from its own resources and/or from external financing and/or realization of assets and/or raising capital and/or debt.

In light of all the above, and taking into account the sales plan examined by the Board of Directors for the Company's various projects and the realizations from the beginning of 2025, the sales pace in the Company's projects, the Company's ability to raise capital and/or debt in the capital market (rating for the existing bonds of ilA- and a valid shelf prospectus), raising bank debt against assets with an accepted LTV ratio, and entering into project financing arrangements for projects the Company is promoting, the Company's Board of Directors has determined (while there is no certainty thereof) that the warning signs detailed above do not indicate a liquidity problem, and therefore no warning sign exists for the Company.

The foregoing regarding the assumptions of the Company's Board of Directors constitutes forward-looking information, as defined in the Securities Law, 5728-1968, which is subject to the forward-looking information paragraph included in Section 6.3.3.9 of the 2025 Periodic Report, to the Company's risk factors as detailed in Section 21 of the 2025 Periodic Report, and the Board of Directors' assessments may change materially, including due to the security situation as stated above in this report and trends related to interest rates and inflation.

B.7. Discussion of Risk Factors

As of the report's publication date, the Consumer Price Index (CPI) increased by approx. 1.4% since the beginning of 2026, following an increase of approx. 2.3% in 2025 and an increase of 3.2% in 2024.

In January 2024, in light of the decrease in the inflation environment and out of the Bank of Israel's desire to stabilize the markets and reduce uncertainty alongside price stability and support for economic activity, the Bank of Israel lowered the interest rate to 6%. In November 2025, the Bank of Israel lowered the interest rate by 0.25%, in January 2026 the Bank of Israel lowered the interest rate by an additional 0.25%, and in May 2026, after the balance sheet date, the Bank of Israel lowered the interest rate by an additional 0.25%, so that the prime rate as of the report publication date stands at 5.25%. According to the Bank of Israel's announcement, the interest rate reduction is based on a moderated inflation environment, a high level of activity in the construction sector, and the continued rise in the annual rate of construction starts. The continuation of the trend of lowering the interest rate will be determined by the continued convergence of inflation to its target, continued stability in the financial markets, economic activity, and fiscal policy. The Bank of Israel also noted that analysts expect a certain increase in inflation at the end of the year, after which it will decrease and stabilize around the center of the target range. However, the Bank of Israel's announcement from March 30, 2026, stated that since the beginning of Operation "Roaring Lion", local and global geopolitical uncertainty has increased, particularly regarding the duration and intensity of the fighting and how it will end. Operation "Roaring Lion" has extensive economic consequences for real activity. The government budget deficit is expected to amount to 5.3% of GDP in 2026 and 4.4% in 2027, and the debt-to-GDP ratio is expected to stand at about 70.5% of GDP at the end of 2026 and the end of 2027. In view of the particularly high uncertainty, the risks surrounding inflation are skewed upwards. Prolonged geopolitical uncertainty, which will be reflected in a risk premium, devaluation, and energy prices higher than the assumptions underlying the forecast, will lead to an increase in inflation as well as an increase in project execution costs. On the other hand, a more positive geopolitical development may support a faster recovery of activity and a faster decline in inflation, or alternatively, an increase in excess demand and a rise in inflation.

Effect of changes in the interest rate:

As of the report date, most of the Company's bank loans presented in the Company's consolidated financial statements bear variable interest at the prime rate plus a certain spread. Therefore, the increase in the prime interest rate had a direct impact on the Company's finance expenses in the various projects and a negative impact on the projects' profitability. For further details regarding the impact of the interest rate increase, see Note 26 to the Company's annual financial statements for the year ended December 31, 2025.

As of March 31, 2026, the Company is exposed to risk from changes in the market interest rate (prime) arising from loans the Company received from banking corporations in the amount of approx. NIS 4.3 billion, bearing a variable interest rate. Should there be a trend change that leads to a rise in the interest rate, such a change could cause the following negative effects: (a) lead to an increase in financing costs and a decrease in the Company's profitability (to the extent that selling prices do not rise to offset this); (b) harm the ability and feasibility of raising new debt and lead to a deterioration in the credit terms taken by the Group's companies; (c) lead to a further increase in mortgage interest rates and, consequently, to a decrease in demand in the real estate market; (d) harm the ability of the Company's customers to meet their obligations to the Company; (e) lead to an increase in the capitalization rates on which asset valuations are performed, and consequently, to a change in the fair value of the investment property held by the Company. For further information, see also Note 26F to the Company's annual financial statements for 2025, which are included in this periodic report.

Effect of the Rise in Inflation:

The projects are mostly carried out through engagement with main execution contractors for all the work required to construct the project (Turnkey). The agreements with the main contractors are mostly lump-sum agreements and are linked to the Construction Input Price Index. Therefore, an increase in the Construction Input Price Index (an increase of about 1.6% from the beginning of 2026, about 5% during 2025, and about 2.9% in 2024) has an impact on the project construction costs. During 2025, there was a sharp increase in the Construction Input Price Index due to a correction in the measurement methods of the Central Bureau of Statistics. Furthermore, the continued uncertainty due to the security situation may lead to an increase in construction costs. However, in most of the sale agreements, the engagement with the apartment purchasers regarding part of the consideration is also linked to the said index (partial linkage in accordance with Amendment No. 9 to the Sale (Apartments) Law, 5782-2022), and therefore the Company's exposure to changes in the index is reduced. In addition, as of the report date, the Company has a balance of loans linked to the Consumer Price Index (CPI). These loans finance income-producing properties whose rental income is also linked to the CPI, and therefore, the Company does not have material exposure in this regard at this stage.

The housing market[4]

During 2024, the real estate market showed a recovery, which was also supported by sales campaigns in the form of extended payment plans (20-80/10-90), contractor loans, and exemption from index linkage.

A comparison of transaction prices in February — March 2026 to transaction prices in January-February 2026 shows that apartment prices rose by 0.3%.

In the central region and specifically in Tel Aviv, the price changes in February-March 2026 compared to January-February 2026 were (0.2%-) and 1.2%, respectively.

The beginning of 2026 was characterized by a certain slowdown in sales. However, the Company has sold approx. 137 housing units from the beginning of the year until the report publication date (including signed subscription agreements) for a total of approx. NIS 777 million and approx. 10,890 sq.m. of offices (including signed subscription agreements) for a total of approx. NIS 397 million.

For the Company's sales data in the various projects, see the table in section A above.

It should be noted that as of the date of this report, the Company's estimates as stated in this section above constitute forward-looking information, as defined in the Securities Law, 5728-1968. This information is based on the estimates of the Company's management and its understanding of the factors affecting its business activities, as well as the Company's estimates regarding factors beyond its control, as of the date of this report.

B.8. Marketing Models

Further to that stated in Section 8 of Chapter A of the Periodic Report, in some of its agreements in the free market, the Company offered purchasers, inter alia, a payment plan of 20% close to the date of signing the purchase agreement and payment of the balance of the consideration close to the date of delivery of the apartment, linked to the Construction Input Price Index or with an exemption from linkage to the Construction Input Price Index ("**Favorable Payment Terms**").

The Company's sales volume under preferential payment terms in the first quarter of 2026 amounted to approx. 12%, with a monetary value of approx. NIS 35 million including VAT. Out of the total agreements signed under preferential payment terms, a total of approx. NIS 5 million including VAT had been paid as of the report date.

[4] The data set forth in the paragraph below were taken from the Central Bureau of Statistics press release entitled "Changes in the Housing Market Prices," published on May 15, 2026.

For transactions in which the Company granted financing benefits by way of favorable payment terms as described above, the Company calculated the effect of a significant financing component in the amount of approx. NIS 139 million, which is treated for accounting purposes in the Company's financial statements as a reduction in the item of recognition of revenue from the sale of apartments and, on the other hand, the recording of the financing component in the other income item, in accordance with the percentage of completion of the projects, in the amount of approx. NIS 3 million during the three months ended March 31, 2026.

With respect to the favorable payment terms, in the Company's assessment, the exposure is not material; however, the Company is unable to assess whether the exposure will materialize and whether the purchasers will meet their obligations, or not.

It should be noted that during the reporting year, 5 sales agreements were canceled in a total amount of approx. NIS 22.5 million including VAT. After the report date and until the date of the report's publication, no additional agreements were canceled.

ICR:

In order to maintain its competitive position in the real estate market, and similar to most real estate companies in the economy, ICR offers purchasers in the free market benefits such as an exemption from linking the consideration to the index, as well as favorable payment spreads in its agreements for the sale of residential units ("marketing models").

Inter alia, in some of its engagements, ICR allows for — (a) payment spreads and exemption from linkage — payment of 15%-20% of the purchase price close to the date of signing the purchase agreement and payment of the balance of the consideration close to the apartment delivery date ("Flexible Contracts"); and/or (b) contractor loans — payment by the purchaser of 15%-20% of the purchase price close to the date of signing the purchase agreement and an additional payment of up to NIS 1,500 thousand in a contractor loan that the purchaser takes from the bank, while ICR bears the interest repayment thereon, and payment of the balance of the consideration close to the apartment delivery date ("Contractor Loans").

In the flexible contracts and/or in contracts with contractor loans, the completion to 90% of the consideration is made up to 3-4 months before the delivery date and the remaining 10% will be paid towards the apartment delivery date.

With respect to contractor loans, to the best of ICR's knowledge, the banking entity providing the contractor loan to the purchaser examines the purchaser's repayment capacity not only with respect to the contractor loan but also with respect to the mortgage expected to be taken out on the date of delivery of the residential unit.

Therefore, with respect to contractor loans, although there is some exposure to purchasers' failure to meet their obligations to ICR, in ICR's assessment, and given that the banking entity examines the repayment capacity of the housing unit purchasers and the fact that ICR has received a rate of up to approx. 45% (including contractor loans) of the purchase price, such exposure, if any, is not expected to be material.

With respect to the flexible contracts, in ICR's assessment, there is an exposure since ICR is unable to assess whether or not the purchasers will meet their obligations; however, the Company expects that the purchasers will meet their obligations, in light of the experience from populating projects during 2025 and in Q1 2026.

ICR's sales volume from projects being marketed in the first quarter of 2026 amounted to approx. NIS 126 million, constituting approx. 75% of total sales.

In the first quarter of 2026, following the contractor loan promotions that ICR promoted in the marketed projects, ICR paid interest to mortgage banks in cash flow terms totaling approx. NIS 3.5 million, respectively. For transactions in which ICR granted financing benefits by way of flexible contracts as described above, ICR calculated the effect of a significant financing component (which was treated for accounting purposes in ICR's financial statements as a reduction in the transaction prices for the purpose of revenue recognition) totaling approx. NIS 4.2 million in the first quarter of 2026, respectively.

It should be noted that during the reporting year, 2 sales agreements were canceled in a total financial scope of approx. NIS 8 million, including VAT. After the report date and up to the date of publication of this report, no sales agreements were canceled.

<u>ICR's wins in tenders:</u>

It should be noted that during the reporting period, ICR was selected by the rights holders in 3 new redevelopment projects in Netivot (approx. 2,400 residential units), Lod (approx. 782 residential units), and Rishon LeZion (approx. 375 residential units), to construct 3 separate projects with a total scope of approx. 3,557 residential units (ICR's share approx. 2,357 residential units), of which approx. 3,066 are units for marketing (ICR's share approx. 1,944 residential units). It should be emphasized that there is no certainty that ICR's win will lead to entering into binding agreements, and even if ICR does enter into binding agreements, there is no certainty that the conditions precedent (which are customary in agreements of this type) will be met.

In this regard, it should be noted that in projects under execution/construction and in projects in planning in which marketing has begun, where a 'significant financing component' exists – the 'significant financing component' was deducted from the revenues with respect to the sold housing units only, whereas with respect to the housing units not yet sold, the price per sq.m. and accordingly the revenues, are in accordance with the Company's business plans or an advanced execution report, as the case may be. In such cases, the price per sq.m. presented in the tables detailed in this periodic report is a weighted average of the price per sq.m. for the sold housing units and for the housing units not yet sold. It should also be noted that with respect to projects classified as in planning in which marketing has not yet begun, projects classified as land reserves, and other projects for which profitability data was provided (i.e., costs, revenues, and gross profit), the data is based on the Company's business plans for each project and do not take into account a 'significant financing component', since the Company is unable to estimate what the benefits to the purchasers of housing units will be at the time marketing begins, or if there will be any such benefits at all.

C. Disclosure Provisions in Connection with the Corporation's Financial Reporting

C.1 Material Events After the Reporting Period

For additional events and details, see Note 5 to the Company's financial statements as of March 31, 2026.

C.2 Use of critical estimates

See Note 2 to the Company's financial statements as of March 31, 2026.

D. Specific Disclosure for Bondholders

D.1. Data regarding the Company's Bonds as of March 31, 2026:

	Bonds (Series G)	Bonds (Series H)	Bonds (Series I)
Is the series material (as this term is defined in Regulation 10(b)(13)(a) of the Reporting Regulations)	Yes	Yes	Yes
Issuance date	January 2021 April 2021 August 2021 January 2022	June 2024 December 2024 May 2025 September 2025	May 2026
Par value at the date of issuance	NIS 200,000,000 par value (January 2021) NIS 206,754,000 par value (April 2021) NIS 277,143,000 par value (August 2021) NIS 154,521,000 par value (January 2022)	NIS 228,962,000 par value (June 2024) NIS 300,000,000 par value (December 2024) NIS 200,000,000 par value (May 2025) NIS 147,214,000 par value (September 2025)	NIS 305,313,000 par value (May 2026)
Par value as of March 31, 2026	NIS 586,892,600 (a total of approx. NIS 44,576,937 held by a wholly-owned subsidiary of the Company)	NIS 876,176,000	---
Amount of accrued interest	NIS 5,713,295	NIS 15,015,016	---
Balance in the financial statements as of March 31, 2026	NIS 585,500,000 (equal to the total balance, less NIS 41,010,230 held by a wholly-owned subsidiary of the Company)	NIS 886,123,173	---
Stock exchange market value as of March 31, 2026	NIS 586,481,775	NIS 918,407,683	---
Type and rate of interest	Fixed annual interest at a rate of 3.95%	Fixed annual interest rate of 6.95%	Fixed annual interest at a rate of 5.29%
Liability for additional payment as of March 31, 2026	None	None	None
Principal Payment Dates	The principal of the Bonds (Series G) is repayable in three (3) annual installments on June 30 of each of the years 2025 through 2027, such that the first payment will constitute 30% of the total par value principal of the Bonds (Series G) and each of the second and third payments will constitute 35% of the total par value principal of the Bonds (Series G), with the first principal payment having been paid on June 30, 2025, and the final principal payment to be paid on June 30, 2027.	The principal of the Bonds (Series H) is repayable in four (4) annual installments on June 30 of each of the years 2028 through 2031, in equal parts, such that on each date, 25% of the total par value principal of the Bonds (Series H) will be paid, with the first principal payment to be made on June 30, 2028 and the last principal payment to be made on June 30, 2031.	The principal of the Bonds (Series I) is repayable in five (5) unequal annual installments on April 30 of each of the years 2030 through 2034, such that the first payment will constitute 10%; the second payment will constitute 15%; and each of the third, fourth, and fifth payments will constitute 25% of the total par value principal of the Bonds (Series I), with the first principal payment to be made on April 30, 2030 and the last principal payment to be made on April 30, 2034.
Interest payment dates	The interest is paid in semi-annual installments on every June 30 and December 31 of each calendar year from 2021 to 2026 and on June 30, 2027 (inclusive).	The interest is paid in equal semi-annual installments, on December 31, 2024 and on every June 30 and December 31 in each of the years 2025 through 2030, with the last interest payment on June 30, 2031.	The interest is paid in semi-annual installments on every October 31 and April 30, commencing on October 31, 2026 and until April 30, 2034.
Linkage basis (principal and interest)	No linkage.	No linkage.	No linkage.
Convertible	No	No	No
The Company's right to perform an early redemption or a forced conversion	Yes, in accordance with Section 9 of the Deed of Trust for the Bonds (Series G).	Yes, in accordance with Section 9 of the Deed of Trust for the Bonds (Series H).	Yes, in accordance with Section 9 of the Trust Deed for the Bonds (Series I).
The Rating Agency	Maalot S&P, ilA- rating On May 20, 2024, the Company received an initial rating of ilA- with a	Maalot S&P, ilA- rating On May 20, 2024, the Company received an initial rating of ilA- with a positive outlook	Maalot S&P, ilA- rating On April 20, 2026, the Company received an initial

<table>
<tr><th></th><th>Bonds (Series G)</th><th>Bonds (Series H)</th><th>Bonds (Series I)</th></tr>
<tr><td></td><td>positive outlook from S&P Maalot, as well as an ilA- rating for its outstanding bonds, including the Company's Series G bonds.</td><td>from S&P Maalot, as well as an ilA- rating for its outstanding bonds, including the Company's Series G bonds.
On June 23, 2024, the Company received an initial rating of ilA- from S&P Maalot for its Series H Bonds.
On December 4, 2024, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H, and on May 6, 2025, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H.
On June 9, 2025, the Company received an initial rating of ilA- with a positive outlook from S&P Maalot, and on September 9, 2025, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H.</td><td>rating of ilA- with a positive outlook from S&P Maalot, as well as an ilA- rating for the bonds that were in circulation, including the Company's Series G and Series H bonds.</td></tr>
<tr><td>Was a guarantee provided for payment of the Company's liabilities under the Deed of Trust</td><td>No</td><td>No</td><td>No</td></tr>
<tr><td>Compliance with the terms and covenants pursuant to the Deed of Trust</td><td colspan="2">As of March 31, 2026 and as of the report publication date, to the best of the Company's knowledge, the Company has met all the material terms and undertakings under the deeds of trust of the Company's Bonds (Series G) and Bonds (Series H). To the best of the Company's knowledge, no conditions have occurred that constitute a cause for immediate repayment of the liabilities. For details regarding the Company's compliance with the financial covenants towards the holders of the Bonds (Series G) and (Series H), see below.</td><td>N/A</td></tr>
<tr><td>Whether the Company was required by the Trustee to perform various actions, including convening meetings of the bondholders</td><td colspan="2">No. However, on March 16, 2026, the trustee of the Company's two bond series published an immediate report to the bondholders of both series, according to which if any of them object to the merger of Acro Group Ltd. with and into the Company, they are required to provide written notice thereof to the trustee (detailing the reasons for their objection) no later than March 25, 2026. For further details regarding the merger transaction, see Section 1.3.1 of the Description of the Corporation's Business report.</td><td>N/A</td></tr>
<tr><td>Details regarding the Trustee</td><td>Reznik Paz Nevo Trusts Ltd., 14 Yad Harutzim St., Tel Aviv, Telephone: 03-6389200; Fax: 03-6389222. Contact person: Adv. Michal Avtalion-Rashuni, Email: michal@rpn.co.il.</td><td>Reznik Paz Nevo Trusts Ltd., 14 Yad Harutzim St., Tel Aviv, Telephone: 03-6389200; Fax: 03-6389222. Contact person: Adv. Michal Avtalion-Rashuni, Email: michal@rpn.co.il.</td><td>Reznik Paz Nevo Trusts Ltd., 14 Yad Harutzim St., Tel Aviv, Telephone: 03-6389200; Fax: 03-6389222. Contact person: Adv. Michal Avtalion-Rashuni, Email: michal@rpn.co.il.</td></tr>
<tr><td>Liens</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Restrictions regarding the creation of additional liens or regarding the authority to issue additional bonds</td><td>The Company undertook not to create a floating charge on all of its assets in favor of any third party to secure any debt or obligation whatsoever, without the prior consent of the bondholders (Series G), by special resolution. For further details, see Section 6 of the Trust Deed (Series G).</td><td>The Company undertook not to create a floating charge on all of its assets in favor of any third party to secure any debt or obligation whatsoever, without the prior consent of the holders of the Bonds (Series H), by a special resolution. For further details, see Section 6 of the Trust Deed for the Bonds (Series H).</td><td>The Company undertook not to create a floating charge on all of its assets in favor of any third party to secure any debt or obligation whatsoever, without the prior consent of the holders of the Bonds (Series I), by a special resolution. For further details, see Section 6 of the Trust Deed for the Bonds (Series I).</td></tr>
</table>

D.2. Compliance with Covenants

As of March 31, 2026 and the date of publication of the report, to the best of the Company's knowledge, the Company has complied with all the material terms and undertakings under the deeds of trust for the Company's Bonds (Series G) and Bonds (Series H). To the best of the Company's knowledge, no conditions have occurred that constitute a cause for immediate repayment of the liabilities. For details regarding the Company's compliance with the financial covenants towards the holders of the Bonds (Series G) and (Series H), see below.

Series	The borrowing corporation (date the loan was provided)	Original principal amount (NIS thousands)	Principal balance as of March 31, 2026 (NIS thousands)	Financial liabilities	Method of calculating financial covenants and its results as of March 31, 2026, in accordance with the Company's reviewed financial statements
Bonds (Series G)	the Company (January 2021)	586,893	586,893 (equal to the total balance, less 44,577 held by a wholly-owned subsidiary of the Company)	• The equity-to-balance-sheet ratio shall not be less than 37.5%. • The Company's equity will not be less than NIS 475 million. The interest rate borne by the bonds will be adjusted in the event of a breach of one or more of the financial covenants described below: The equity-to-balance-sheet ratio (solo) shall not be less than 42%. The Company's equity shall not be less than a total of NIS 500 million. "**Equity**", means: equity as presented in the Company's separate financial information (solo) financial statements (audited or reviewed, as the case may be), plus owners' loans whose terms stipulate that they are subordinate to the bonds (Series G), capital notes invested after the issuance of the bonds, and less intangible assets (goodwill, copyrights, patents, trademarks, trade names). "Balance Sheet" means the Company's balance sheet as presented in the financial statements on the Company's separate financial information (solo) (audited or reviewed, as the case may be).	Equity as defined above: approx. NIS 2,818 million. Solo balance sheet as defined above of approx. NIS 4,459 million. Therefore, the ratio is approx. 63.2%.
Bonds (Series H)	the Company (June 2024)	876,176	876,176	• The equity-to-balance-sheet ratio (solo) will not be less than 37.5%. • The Company's equity shall not be less than a total of NIS 1.2 billion. • The ratio of consolidated equity to the consolidated balance sheet, according to the Company's consolidated financial statements, will not be less than 15%. The interest rate borne by the bonds will be adjusted in the event of a breach of one or more of the financial covenants described below: The equity-to-balance-sheet ratio (solo) shall not be less than 42%. The Company's equity shall not be less than NIS 1.25 billion. The consolidated equity-to-balance-sheet ratio shall not be less than 17%. "Equity" means: equity as presented in the Company's separate financial statements (solo) (audited or reviewed, as the case may be) plus subordinated owners' loans. "Subordinated owners' loans" means: owners' loans (principal only) that were provided up to the relevant test date and whose terms (principal and interest) stipulate that they are subordinated to the bonds (Series H), including that their repayment date is after the final repayment date of the bonds, and in the event of the Company's liquidation, they will be repaid (principal and interest) after the full repayment of the bonds, and also capital notes that were provided after the issuance of the bonds, are subordinated to the bonds (Series H), including that their repayment date is after the final repayment date of the bonds, and in the event of the Company's liquidation, they will be repaid (principal and interest) after the full repayment of the bonds. "Balance sheet" means the Company's balance sheet as presented in the financial statements on the separate financial information (solo) of the Company (audited or reviewed, as the case may be). "Consolidated Equity" means: equity, including minority interests, as presented in the Company's consolidated financial statements (audited or reviewed, as the case may be), plus subordinated owners' loans (as defined above). "Consolidated Balance Sheet" means: the Company's balance sheet as presented in the Company's consolidated financial statements (audited or reviewed, as the case may be), net of cash and cash equivalents that are not restricted in use, deposits and investments classified as current assets that are not restricted in use, marketable securities that are current assets and are not restricted in use, and less advances from apartment purchasers, liabilities for the provision of construction services, liabilities relating to a consideration transaction, and liabilities for contracts with customers, as these terms are defined in generally accepted accounting principles.	Equity as defined above: approx. NIS 2,818 million. Solo balance sheet as defined above of approx. NIS 4,459 million. Therefore, the ratio is approx. 63.2%. Consolidated equity (including non-controlling interests) as defined above: approx. NIS 3,908 million. Consolidated balance sheet as defined above: approx. NIS 12,016 million. Therefore, the ratio is approx. 32.5%.
Bonds (Series I)	the Company (May 2026)	---	---	• The Company's equity will not be less than NIS 1.4 billion. • The equity-to-balance-sheet ratio (solo) will not be less than 30%. • The ratio of consolidated equity to the consolidated balance sheet, according to the Company's consolidated financial statements, will not be less than 15%.	N/A

Series	The borrowing corporation (date the loan was provided)	Original principal amount (NIS thousands)	Principal balance as of March 31, 2026 (NIS thousands)	Financial liabilities	Method of calculating financial covenants and its results as of March 31, 2026, in accordance with the Company's reviewed financial statements
				• The ratio of adjusted net financial debt to adjusted CAP shall not exceed a rate of 80%. The interest rate borne by the bonds will be adjusted in the event of a breach of one or more of the financial covenants described below: The Company's equity shall not be less than NIS 1.7 billion before the completion of the merger transaction and NIS 2.4 billion after the completion of the merger transaction. The solo equity-to-balance-sheet ratio will not be less than 32.5%. The consolidated equity-to-balance-sheet ratio shall not be less than 17%. The equity-to-CAP ratio shall not exceed 77.5%. "Consolidated Equity" means: equity as presented in the Company's separate (solo) financial information (audited or reviewed, as the case may be), plus subordinated owners' loans. "Subordinated Owners' Loans" means: owners' loans (principal only) that were provided up to the relevant testing date and whose terms stipulate (principal and interest) that they are subordinated to the Bonds (Series I), including that their repayment date is after the final repayment date of the Bonds, and in the event of the Company's liquidation, they will be repaid (principal and interest) after the full repayment of the Bonds, as well as capital notes that were provided after the issuance of the Bonds, are subordinated to the Bonds (Series I), including that their repayment date is after the final repayment date of the Bonds, and in the event of the Company's liquidation, they will be repaid (principal and interest) after the full repayment of the Bonds. "Balance Sheet" means the Company's balance sheet as presented in the Company's separate (solo) financial information (audited or reviewed, as the case may be). "Consolidated Equity" means: equity, including minority interests, as presented in the Company's consolidated financial statements (audited or reviewed, as the case may be), plus subordinated owners' loans (as defined above). "Consolidated Balance Sheet" means: the Company's balance sheet as presented in the Company's consolidated financial statements (audited or reviewed, as applicable), excluding cash and cash equivalents that are not restricted in use, deposits and investments classified as current assets that are not restricted in use, marketable securities that are current assets and are not restricted in use, and less advances from apartment purchasers, liabilities for providing construction services, liabilities relating to consideration transactions, and liabilities from contracts with customers, as these terms are defined in generally accepted accounting principles. "Adjusted net financial debt", means: short-term and long-term interest-bearing debt from banks, financial institutions, and any entity engaged in providing loans or extending credit, plus interest-bearing debt to the holders of bonds issued by the Company, less cash and cash equivalents, marketable securities defined in the financial statements as current assets, and short-term deposits (but excluding cash, cash equivalents, and deposits in designated and/or restricted accounts), all based on the Company's latest consolidated financial statements (audited or reviewed, as applicable). For the avoidance of doubt, liabilities for short-term and long-term leases will not be included. "Net CAP", means: adjusted net financial debt plus the Company's total consolidated equity (including minority interests), all based on the Company's latest consolidated financial statements (audited or reviewed, as applicable).	

D.3. **Rating**

On May 20, 2024, the Company received an initial rating of ilA- with a positive outlook from S&P Maalot, as well as an ilA- rating for the Company's Bonds Series F and G. On June 23, 2024, the Company received an initial rating of ilA- from S&P Maalot for Bonds Series H. On December 4, 2024, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H, and on May 6, 2025, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H. On June 9, 2025, the Company received an initial rating of ilA- with a positive outlook from S&P Maalot, and on September 9, 2025, S&P Maalot announced an ilA- rating for the issuance of an expansion of Series H. On May 10, 2026, S&P Maalot announced an ilA- rating with a positive outlook for the issuance of Bonds Series I.

Date of signing of the report:

May 27, 2026

Asaf Touchmair, Chairman of the Board of Directors	Barak Rosen, CEO and Director

Appendix A

As required under Regulation 39A of the Securities Regulations (Periodic and Immediate Reports), 1970, set forth below is a breakdown of the material changes or developments that have occurred in the Company's business during the three-month period ended March 31, 2026, and up to a date close to the date of publication of this report. It should be noted that the terms below shall have the meanings ascribed to them in the Description of the Corporation's Business Report for 2025, which was attached to the Periodic Report for 2025 (hereinafter: the "**2025 Barnea Report**"), unless expressly stated otherwise.

1. **Four and Five, Ramat Hasharon**

A. **Costs invested and to be invested in the project (NIS thousands):**

Four and Five Project, Ramat Hasharon Data at 100%, the Company's share in the partnership that holds the land: 81%	2026 Q1	2025	2024
	Financial data in the functional currency		
	Costs invested (NIS millions)		
Total accumulated costs for land at the end of the period	184.1	180.6	171.7
Total cumulative costs for development, taxes, fees, and other	44.2	44.2	44.1
Total accumulated costs for construction	---	---	---
Derecognition of costs recognized in the statement of profit or loss	(208.2)	(208.2)	(207.8)
Total accumulated costs for financing (capitalized)	---	---	---
Total cumulative costs	21	17	8
	Costs not yet invested and completion rate		
Total costs for land not yet invested (estimate)	---	---	---
Total costs for development, taxes, and fees not yet invested (estimate)	---	---	---
Total costs for construction not yet invested (estimate)	---	---	---
Total accumulated costs for financing not yet invested (estimate)	---	---	---
Completion rate [engineering/financial] (excluding land) (%)	---	---	---
Expected completion date	N/A	N/A	N/A

B. **Below are details regarding the marketing of the spaces in the project:**

Four and Five Project, Ramat Hasharon Data at 100%, the Company's share in the partnership that holds the land: 81%	Data at 100%, the Company's share in the project is 81%		
	2026 Q1	2025	2024
	Contracts signed in the current period:		
Units sold (residential)[1]	---	---	(3)[2]
Units sold (offices) - Phase A[3]	---	---	---
Units sold (offices) - Phase B[4]	---	9	42
	Average price per sqm in contracts signed during the current period (in functional currency):		
Average price in NIS thousands (excluding VAT) - residential	---	---	---
Average price in NIS thousands (excluding VAT) - offices	---	731	679
	Cumulative contracts up to the end of the period:		
Residential units sold	---	584	584
Units sold (offices) – Phase A	---	182	182
Units sold (offices) – Phase B	---	88	79
	Sales rate of the rights sold (%):		

[1] **"Residential Units Sold"** – each purchaser shall be entitled to land rights for one full (average) residential unit, and no less than that, notwithstanding the result of the arithmetic calculation set forth in the Sale Agreement and without any additional consideration required from such purchaser. For further details, see Note 15(d) to the Company's financial statements as of December 31, 2025, attached to the Barnea 2025 Report.
[2] One sale agreement was cancelled in 2023, and three sale agreements were cancelled in 2024.
[3] "**Phase A Office Units Sold**" – land units, each of which is expected to give rise, as described in Section 6.3.3.2 of the Barnea 2025 Report and in accordance with the mechanisms set forth in the sale agreements, to rights in land for an office unit comprising 250 gross square meters.
[4] "**Phase B Office Units Sold**" – land units, each of which is expected to give rise, as described in Section 6.3.3.2 of the Barnea 2025 Report and in accordance with the mechanisms set forth in the sale agreements, to rights in land for an office unit comprising 129.2 gross square meters.

Four and Five Project, Ramat Hasharon Data at 100%, the Company's share in the partnership that holds the land: 81%	Data at 100%, the Company's share in the project is 81%		
	2026 Q1	2025	2024
Total expected revenues from the entire project (including management fees and commercial and office units)	972,767	972,767	972,905
Total expected revenues from contracts signed on a cumulative basis	478,987	478,987	474,910
Sales rate as of the last day of the period of the residential units sold (%)	97%	97%	97%
Sales rate as of the last day of the period for office and commercial units (%)	38%	38%	37%
	Spaces for which contracts have not yet been signed *:		
Units not yet sold out of the residential units sold (#)*	16	16	16
Units not yet sold out of the units sold - offices (Phase B only) (#)*	686	686	695
Total accumulated costs (inventory balance) attributable to spaces for which binding contracts have not yet been signed in the statement of financial position (consolidated)	20,719	17,224	8,206
***		***	***
Number of units sold from the end of the period until a date close to the report publication date	Residential: -- Offices Phase B: ---	Residential: -- Offices Phase B: ---	Residential: -- Offices Phase B: 8
Average price for units sold from the end of the period until close to the report publication date (excluding VAT)	Residential : -- Offices : ---	Residential : -- Offices : ---	Residential: -- Offices: 730

* The said units are in accordance with the plan which was approved as detailed in Section 6.3.3.2 of the 2025 Barnea Report.

2. The residential rights in the Rainbow project, Sde Dov complex, Tel Aviv

A. Costs invested and to be invested in the project (NIS thousands):

Sde Dov Project (Data based on 100%. The Company's effective share is 100%)		2026 Q1	2025	2024
Costs invested	Accumulated costs for land at the end of the period	1,262,262	1,262,262	1,262,262
	Accumulated costs for development, taxes and fees	79,620 [3]	84,920	74,494[1]
	Accumulated costs for construction	80,953	70,710	20,297
	Accumulated costs for financing (capitalized)	233,044	231,732	183,846
	Other accumulated costs	35,689	34,168	10,426[1]
	Total cumulative costs	**1,691,568**	**1,683,792**	**1,559,287**
	Costs derecognized to profit and loss	126,334	101,610	-
	Total accumulated costs in the books	1,565,234[2]	1,582,182[2]	1,559,287[2]
Costs to be invested	Costs for land not yet invested	N/A	N/A	N/A
	Costs for development, taxes and fees not yet invested (estimate)	-	3,885	64,137
	Costs for construction not yet invested (estimate)	872,886	883,129	804,548
	Cumulative costs for financing that are expected to be capitalized in the future (estimate)[4]	25,247	29,454	47,212
	Other accumulated costs not yet invested	36,986	38,506	79,505
	Total cost remaining for completion	935,119	954,974	995,402
	Completion rate [financial] excluding land	8.3%	6.9%	3%

[1] Reclassified
[2] Excluding capitalization of non-specific credit from bonds
[3] The Company received a refund for development expenses
[4] As of the date of receipt of the full building permit for the project on September 30, 2025, the Company does not capitalize financing costs (except for sales law guarantees)

B. **Below are details regarding the marketing of the spaces in the project:**

Sde Dov Project (Data based on 100%. The Company's effective share is 100%)		2026 Q1	2025	2024
Contracts signed during the current period	Residential units (#)	4	59	99[1]
	Residential units (sqm)	265	6,357	12,028
Average price per sqm in contracts signed in the current period, including VAT	Residential units	85,669	85,669	83,237
Cumulative contracts up to the end of the period:	Residential units (#)	272	270	220
	Residential units (sqm)	28,878	28,789	23,813
Cumulative average price per sqm in contracts signed through the end of the period, including VAT 3	Residential units	81,782	81,704	80,493
Sales rate of the project	Total expected revenues from the entire project in the functional currency, including VAT 2	3,878,429	3,898,589	3,879,501
	Total expected revenues from contracts signed, cumulative, in the functional currency, including VAT	2,361,688	2,352,172	1,916,782
	Sales rate as of the last day of the period (%)	59%	59%	48%
Areas for which contracts have not yet been signed:	Residential units (#)	187	189	260
	Residential units (sqm)	17,462	17,551	22,442
	Commercial space (sqm)	1,610	1,610	1,610
Total accumulated costs (inventory balance as of March 31, 2026) attributable to areas for which binding contracts have not yet been signed in the statement of financial position		689,157	693,326	844,614
Number of contracts signed from the end of the period until the report publication date (#)		1	4	8
Average price per sqm in contracts signed from the end of the period to the report publication date, including VAT		76,533	83,269	79,620

[1] The data includes 4 sale agreements that were canceled in 2025.
[2] Expected revenues do not include a significant financing component.
[3] The cumulative average price per sqm for apartments sold up to the reporting date, net of a significant financing component, is NIS 80,349 per sqm, including VAT.

The data refer to signed contracts and do not include subscription agreements.

3. The residential rights classified as inventory in Midtown Jerusalem

A. **Costs invested and to be invested in the project** (NIS thousands):

Midtown Jerusalem Project (formerly Shaare Zedek) Planning status of the project (Data based on 100%. The Company's effective share is 73%)		2026 Q1	2025	2024
Costs invested	Accumulated costs for land at the end of the period	306,650	306,650	306,650
	Accumulated costs for development, taxes and fees	245,608[2]	245,608[2]	40,975
	Accumulated costs for construction	108,009	89,721	16,659[1]
	Accumulated costs for financing (capitalized)	68,228	67,510	59,330
	Other accumulated costs	71,671	62,995	42,499[1]
	Total cumulative cost	**800,166**	**772,484**	**466,112**
	Costs derecognized to profit and loss	62,168	44,972	--
	Total accumulated cost in the books	**737,998**	**727,512**	**466,112**
Costs to be invested	Costs for land not yet invested (estimate)	-	-	-
	Costs for development, taxes and fees not yet invested (estimate)	-	-	166,329
	Costs for construction not yet invested (estimate)	984,822	1,003,110	923,341[1]
	Accumulated costs for financing expected to be capitalized in the future (estimate) [3]	15,916	17,605	9,462
	Other accumulated costs not yet invested	49,138	57,814	138,940[1]
	Total cost remaining for completion	**1,049,876**	1,078,529	1,238,072
	Completion rate (financial) excluding land (%)	8.5%	7.1%	1.4%

[1] Reclassified
[2] Includes a provision for levies

[3] Capitalized financing for sales law guarantees

Costs invested and to be invested in the project for office rights for sale

Midtown Jerusalem Project (formerly Shaare Zedek) (Data at 100%. The Company's effective share is 73%)		2026 Q1	2025	2024
Costs invested	Accumulated costs for land at the end of the period	111,422	111,422	111,422
	Accumulated costs for development, taxes and fees	51,901	51,901	8,491
	Accumulated costs for construction	7,907	7,879	3,447
	Accumulated costs for financing (capitalized)	14,142	14,142	12,073
	Other accumulated costs	9,845	8,816	8,906
	Total cumulative costs	**195,217**	**194,160**	**144,338**
	Costs derecognized to profit and loss	1,131	1,126	-
	Total accumulated costs in the books	**194,086**	**193,034**	**144,338**
Costs to be invested	Costs for land not yet invested (estimate)	-	-	-
	Costs for development, taxes and fees not yet invested (estimate)	-	-	43,410
	Costs for construction not yet invested (estimate)	434,889	434,917	439,350
	Accumulated costs for financing expected to be capitalized in the future (estimate) [1]	6,290	6,390	8,458
	Other accumulated costs not yet invested	35,999	37,028	36,938
	Total costs remaining for completion	477,178	478,335	528,156
	Completion rate (financial) excluding land (%)	2.25%	2.25%	1.4%

[1] Capitalized financing for sales law guarantees.

B. Below are details regarding the marketing of the spaces in the project

Midtown Jerusalem Project – Residential Rights (Data based on 100%. The Company's effective share is 73%)2		2026 Q1	2025	2024
Contracts signed during the current period	Residential units (#)	17	48	88[1]
	Residential units (sqm)	860	4,158	5,290
Average price per sqm in contracts signed in the current period (including VAT)	Residential units	69,792	78,207	71,823
Cumulative contracts up to the end of the period:	Residential units (#)	272	258	212[1]
	Residential units (sqm)	16,750	16,044	12,008
Cumulative average price per sqm in contracts signed up to the end of the period (including VAT)	Residential units 3	70,692	70,715	68,080
Sales rate of the project	Total expected revenues from the entire project in the functional currency, including VAT 4	3,121,476	3,124,113	3,026,541
	Total expected revenues from contracts signed, cumulative, in the functional currency, including VAT	1,184,083	1,134,549	817,517
	Sales rate as of the last day of the period (%)	39%	37%	31%
Areas for which contracts have not yet been signed:	Residential units (#)	423	437	483
	Residential units (sqm)	26,757	27,463	30,927
	Commercial space (sqm)	---	---	---
Total accumulated costs (inventory balance as of March 31, 2026) attributable to areas for which binding contracts have not yet been signed in the statement of financial position		487,008	485,720	324,238
Number of contracts signed from the end of the period until the report publication date (#)		4	15	6
Average price per sqm in contracts signed from the end of the period to the report publication date (including VAT)		71,429	69,942	73,855

[1] Including three cancelled contracts

[2] The table below includes only the residential apartments presented under the inventory item in the financial statements; the balance of the rights in the land (rental housing, offices, hospitality and commercial uses) which constitute income-producing real estate are presented in the financial statements under the investment property line item.

[3] The average price per sqm for apartments sold as of the reporting date, net of the significant financing component, is approx. NIS 67,500 per sqm, including VAT.

[4] Expected revenues do not include a significant financing component

The data refer to signed contracts and do not include subscription agreements.

<table>
<tr><th colspan="2" rowspan="2">Midtown Jerusalem – Office Rights
(Data based on 100%. The Company's effective share is 73%)</th><th>2026</th><th rowspan="2">2025</th><th rowspan="2">2024</th></tr>
<tr><th>Q1</th></tr>
<tr><td rowspan="3">Contracts signed during the current period</td><td>Office space (sqm)</td><td>---</td><td>1,681</td><td>2,371</td></tr>
<tr><td>Residential units (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td>Commercial space (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td rowspan="2">Average price per sqm (excluding VAT) in contracts signed in the current period</td><td>Office space (sqm)</td><td>---</td><td>26,003</td><td>24,327</td></tr>
<tr><td>Commercial space</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td rowspan="3">Cumulative contracts up to the end of the period</td><td>Office space (sqm)</td><td>4,052</td><td>4,052</td><td>2,371</td></tr>
<tr><td>Residential units (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td>Commercial space (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td rowspan="2">Cumulative average price per sqm (excluding VAT) in contracts signed through the end of the period</td><td>Office space (sqm) [2]</td><td>25,022</td><td>25,022</td><td>24,327</td></tr>
<tr><td>Commercial space</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td rowspan="3">Sales rate of the project</td><td>Total expected revenues from the entire project (in NIS thousands) excluding VAT 1</td><td>976,343</td><td>976,343</td><td>976,343</td></tr>
<tr><td>Total expected revenues from contracts signed, cumulative (in NIS thousands) excluding VAT</td><td>101,389</td><td>101,389</td><td>57,678</td></tr>
<tr><td>Sales rate as of the last day of the period (%)</td><td>9%</td><td>9%</td><td>5%</td></tr>
<tr><td rowspan="3">Areas for which contracts have not yet been signed:</td><td>Office space (sqm)</td><td>40,555</td><td>40,555</td><td>42,236</td></tr>
<tr><td>Residential units (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td>Commercial space (sqm)</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td colspan="2">Total accumulated costs (inventory balance) attributable to areas for which binding contracts have not yet been signed in the statement of financial position</td><td>177,484</td><td>176,523</td><td>136,666</td></tr>
<tr><td colspan="2">Number of contracts signed from January 1, 2026 to the report publication date (quantity/sqm)</td><td>---</td><td>---</td><td>1,681</td></tr>
<tr><td colspan="2">Average price per sqm (excluding VAT) (in NIS thousands) in contracts signed from January 1, 2026 to the report publication date</td><td>---</td><td>---</td><td>26,003</td></tr>
</table>

[1] Excluding revenues from a significant financing component.

[2] The average price for areas sold up to the reporting date, net of a significant financing component, is approx. NIS 23,785 per sqm.

4. Residential rights in the SHE project, Tel Aviv

A. **Costs invested and to be invested in the project** (NIS thousands):

SHE Project (formerly the Leumi Building), Tel Aviv Planning status of the project (Data based on 100%. The Company's effective share is 81%)		2026 Q1	2025	2024
Costs invested	Accumulated costs for land at the end of the period	297,340	297,340	297,340[1]
	Accumulated costs for development, taxes and fees	22,351	22,262	22,275
	Accumulated costs for construction	16,382	9,205[1]	1,293[1]
	Accumulated costs for financing (capitalized)	81,141	76,292	58,850[1]
	Other accumulated costs	19,231	16,355[1]	11,991[1]
	Total cumulative costs	**436,445**	**421,454**	**390,456**
	Total accumulated costs in the books	**436,445**	421,454	390,456
Costs to be invested	Costs for land not yet invested (estimate)	---	---	---
	Costs for development, taxes and fees not yet invested (estimate)	14,114	14,203	14,184
	Costs for construction not yet invested (estimate)	298,999	306,176[1]	240,062
	Accumulated costs for financing expected to be capitalized in the future (estimate)	22,804	28,457	46,410
	Other accumulated costs not yet invested	40,206	45,624[1]	13,163
	Total costs remaining for completion	**376,123**	394,460	313,820
	Completion rate [engineering] excluding land (%)	3.2%	1.2%	0%

[1] Reclassified

* As of the date of receipt of a building permit, the Company capitalizes financing costs for sales law guarantees only.

5. VERTICAL (office rights for marketing)

A. **Costs invested and to be invested in the project** (in NIS thousands):

VERTICAL Project under construction (Data at 100%. The Company's effective share in the project is 55.9%)		2026 Q1	2025	2024
Costs invested	Accumulated costs for land at the end of the period	482,237	482,237	482,237
	Accumulated costs for development, taxes and fees	71,430	71,430	31,703
	Accumulated costs for construction	46,814	40,122	-
	Accumulated costs for financing (capitalized)	67,995	67,995	57,317
	Other accumulated costs	65,574	62,713	50,582
	Total cumulative cost	734,050	724,497	621,840
	Costs derecognized to profit and loss	15,119	-	-
	Total accumulated cost in the books [1]	718,931	724,497	621,840
Costs to be invested	Costs for land not yet invested	-	-	-
	Costs for development, taxes and fees not yet invested (estimate)	31,637	31,637	71,364
	Costs for construction not yet invested (estimate)	708,480	715,172	755,294
	Accumulated costs for financing expected to be capitalized in the future (estimate) [2]	13,332	13,332	24,010
	Other accumulated costs not yet invested	28,461	31,322	38,198
	Total cost remaining for completion	781,910	791,463	888,866
	Completion rate (financial) excluding land	5.3%	0%	19%
	Completion rate (engineering)	5.3%	5.3%	0%

[1] Net of intercompany financing.

[2] Capitalized financing for a sales law guarantee.

B. Below are details regarding the marketing of the spaces in the project

VERTICAL Project under construction (Data at 100%. The Company's effective share in the project is 55.9%)		2026 Q1	2025	2024
Contracts signed during the current period	Office space (sqm)	1,782	1,718	8,669
	Residential units (sqm)	---	---	---
	Commercial space (sqm)	---	---	---
Average price per sqm (excluding VAT) in contracts signed in the current period	Office space (sqm)	25,469	24,857	26,386
	Commercial space	---	---	---
Cumulative contracts up to the end of the period	Office space (sqm)	28,341	26,559	24,841
	Residential units (sqm)	---	---	---
	Commercial space (sqm)	---	---	---
Cumulative average price per sqm (excluding VAT) in contracts signed through the end of the period	Office space (sqm) 1	27,007	27,329	27,500
	Commercial space	---	---	---
Sales rate of the project	Total expected revenues from the entire project (in NIS thousands, excluding VAT) 2	2,050,515	2,050,515	2,050,515
	Total expected revenues from contracts signed, cumulative (in NIS thousands, excluding VAT)	765,416	725,820	683,115
	Sales rate as of the last day of the period (%)	38.6%	36%	34%
Areas for which contracts have not yet been signed:	Office space (sqm) 3	44,911	46,693	48,411
	Residential units (sqm)	---	---	---
	Commercial space (sqm)	---	---	---
Total accumulated costs (inventory balance) attributable to areas for which binding contracts have not yet been signed in the statement of financial position		450,048	461,816	410,963
Number of contracts signed from January 1, 2026 to the report publication date (quantity/sqm)		418.38	1,782	---
Average price per sqm (excluding VAT) in contracts signed from January 1, 2026, until the report publication date		26,876	25,469	---

[1] The cumulative average price per sqm for sold spaces as of the reporting date, net of the significant financing component, is approx. NIS 25.5 thousand, excluding VAT.

[2] Does not include a significant financing component.

[3] The area for marketing is net of approx. 5,000 sqm designated for construction for the owners under the combination agreements.

<u>Forward-looking information</u>

The information described above regarding expected costs in projects (which have not yet been invested) constitutes forward-looking information (as this term is defined in the Securities Law), which is not under the Company's full control and whose actual realization is uncertain. The realization of said information is largely dependent on cooperation between the Company and the partners in the projects, on decisions made by them during the construction of the project; on the relevant project company entering into financing agreements for the financing and construction of the project and on compliance with the conditions to be stipulated in said agreements (if any); on external factors, such as obtaining the required permits for the project's execution (both their receipt and the timing of such receipt as foreseen by the Company and the partnership in the relevant project), on the project companies' compliance with the requirements of the various authorities and the granting of the relevant permits by the authorities; on the actual construction and financing costs at the time they are incurred, which may change, including materially, inter alia, in light of changes in the economic environment in which the Company operates. It should be emphasized that there is no certainty that this will be the actual state of affairs. These factors may significantly alter the Company's estimates detailed above. In the Company's assessment, as of this date, the main factors that could cause the forward-looking information not to materialize are: (a) the required permits for the construction of projects for which a permit has not yet been received will not be

obtained (both their actual receipt and the date foreseen for their receipt); (b) the construction of the relevant project will be delayed for various reasons, such as the relevant project company's failure to meet the authorities' requirements for obtaining permits and/or failure to obtain suitable permits for the project or their receipt at a later date than that foreseen by the Company; (c) entering into an agreement with a contractor or the contractor or other suppliers involved in the relevant project encountering financial difficulties; (d) any of the partners in the project encountering financial difficulties that would prevent them from continuing to finance their respective shares in the project; (e) a deviation from the expected scope of the project, which may result from increases in construction costs, from taxes and/or levies imposed on the purchase and development of the land, from the economic situation in the market, including inflation and interest rate hikes, and similar factors. Therefore, there is no certainty that the above information will materialize, and it may even be materially different from the foregoing.

FINANCIAL STATEMENTS
MARCH 31, 2026

Israel Canada (T.R.) Ltd.

Condensed Consolidated Financial Statements
As of March 31, 2026

(Unaudited)

Israel Canada (T.R.) Ltd.

Condensed consolidated financial statements
As of March 31, 2026

(Unaudited)

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Deloitte.

Independent Auditors' Review Report to the Shareholders of
Israel Canada (T.R.) Ltd.

Introduction:

We have reviewed the accompanying financial information of Israel Canada (T.R.) Ltd. and its consolidated companies (hereinafter - "the Company"), which includes the condensed consolidated statement of financial position as of March 31, 2026 and the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three months then ended. The Board of Directors and management are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 (IAS 34), 'Interim Financial Reporting', and are also responsible for the preparation of this interim financial information in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the condensed interim financial information of consolidated companies whose assets included in the consolidation constitute approx. 19.66% of the total consolidated assets as of March 31, 2026, and whose revenues included in the consolidation constitute approx. 33.59% of the total consolidated revenues for the three months then ended. Furthermore, we did not review the condensed interim financial information of investments accounted for using the equity method, in which the investment amounts to approx. NIS 338,746 thousand as of March 31, 2026, and the Company's share of their losses amounts to approx. NIS 1,425 thousand for the three months then ended. The condensed interim financial information of those companies was reviewed by other auditors whose review reports were furnished to us, and our conclusion, insofar as it relates to the financial information for those companies, is based on the review reports of the other auditors.

Scope of Review:

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "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 generally accepted auditing standards in Israel 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 and on the review reports of other auditors, nothing has come to our attention that causes us to believe that the above-mentioned financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34).

In addition to what is stated in the preceding paragraph, based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the above-mentioned financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Brightman Almagor Zohar & Co.
Auditors
A Firm in the Deloitte Global Network

Tel Aviv, May 27, 2026

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Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Financial Position

	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Current assets			
Cash and cash equivalents	428,656	401,626	145,162
Cash and deposits used in construction-financing accounts	48,304	92,670	73,399
Financial assets at fair value	94,361	89,881	91,321
Receivables from the sale of real estate inventory	43,256	47,467 (*)	52,872
Contract assets	26,496	4,853(*)	40,362
Other accounts receivable	153,186	117,674	129,603
Income tax receivables	4,103	7,471	3,100
Receivables and debit balances in respect of hotels	82,189	44,183	90,768
Real estate inventory	486,877	458,670	437,494
Inventory of buildings in planning and under construction	3,080,814	2,945,110	3,070,561
Advances on account of real estate inventory	-	16,250	26,461
Total current assets	4,448,242	4,225,855	4,161,103
Non-current assets			
Investments and loans in investees accounted for using the equity method, net	1,516,393	1,330,471	1,511,250
Long-term real estate inventory	1,515,308	1,162,407	1,491,464
Investment property	3,300,974	3,041,022	3,285,094
Advances on account of investment property	57,976	17,695	21,206
Property, plant and equipment	892,868	817,060	877,432
Long-term restricted cash and deposits	9,301	6,333	9,549
Right-of-use assets	1,257,141	419,586	1,080,037
Other accounts receivable	9,664	7,863	9,585
Deferred tax assets	42,963	32,396	36,483
Investments and other assets	17,693	27,212	17,081
Goodwill and intangible assets	139,203	-	140,671
Total non-current assets	8,759,484	6,862,045	8,479,852
Total assets	13,207,726	11,087,900	12,640,955

(*) Reclassified

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Financial Position

	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Current liabilities			
Credit from banking corporations and current maturities of long-term loans	3,262,296	2,625,572	3,451,761
Current maturities of bonds	292,318	269,254	292,150
Current maturities of lease liability	56,095	22,165	45,921
Suppliers and service providers	58,003	41,165	61,196
Payables and other credit balances	362,312	265,611	340,231
Current tax liabilities	1,187	11,475	2,170
Contract liabilities	663,169	533,393	656,492
Liability for providing construction services	285	4,200	1,140
Loans from others	3,583	2,514	3,567
Total current liabilities	4,699,248	3,775,349	4,854,628
Non-current liabilities			
Long-term loans from banking corporations	1,863,089	2,117,916	1,640,721
Loans from others and other liabilities	14,000	9,739	15,564
Bonds	1,286,309	1,050,788	1,137,987
Lease liabilities	1,236,358	439,066	1,055,408
Deferred tax liabilities	177,125	159,539	175,392
Long-term liability for providing construction services	-	570	-
Other non-current liabilities	17,539	11,498	17,385
Total non-current liabilities	4,594,420	3,789,116	4,042,457
Equity attributable to the equity holders of the Company			
Share capital	3,411	3,309	3,309
Share premium	1,414,773	1,234,875	1,234,875
Reserve for transactions between a corporation and its controlling shareholder	30,491	30,491	30,491
Retained earnings	1,255,321	1,282,915	1,338,332
Capital reserve from exchange differences on translation of foreign operations	(80,813)	(73,557)	(77,835)
Revaluation reserve	102,358	94,076	101,757
Other capital reserves	92,891	(15,588)	58,326
Total equity attributable to the equity holders of the Company	2,818,432	2,556,521	2,689,255
Non-controlling interests	1,095,626	966,914	1,054,615
Total equity	3,914,058	3,523,435	3,743,870
Total liabilities and equity	13,207,726	11,087,900	12,640,955

May 27, 2026			
Date of approval of the financial statements	**Asaf Touchmair** **Chairman of the Board of Directors**	**Barak Rosen** **CEO and Director**	**Nir Bodega Bar** **Chief Financial Officer**

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Revenues:			
Revenues from the sale of residential apartments and offices	51,385	22,722	214,123
Revenues from sale of real estate inventory	17,572	39,583	132,743
Revenues from rental and management of investment property	22,323	21,796	86,065
Revenues from rental of real estate inventory	5,681	6,107	24,892
Revenues from management fees	-	4,511	4,511
Revenues from the operation and management of hotels	55,968	55,928	389,809
Revenues from marketing and brokerage	2,573	4,768	14,929
Revenues from providing construction services	855	446	4,076
Increase in fair value of investment property	1,981	-	156,087
Company's share of profit of equity-accounted investees, net of tax	6,098	16,897	106,256
Other income	2,195	536	5,860
Total revenues	166,631	173,294	1,139,351
Expenses and costs:			
Cost of sale of residential apartments and offices	42,887	16,461	172,200
Cost of sale of real estate inventory	9,186	19,618	64,715
Rental costs	11,489	10,082	45,091
Cost of operating and managing hotels	97,735	60,937	402,354
Decrease in fair value of investment property	14,298	15,182	51,410
Expenses for provision of construction services	855	446	4,076
General and administrative expenses	14,822	12,519	64,931
Marketing and selling expenses	12,371	11,457	69,860
Company's share in the loss of investments accounted for using the equity method, net of tax	18,405	12,329	29,978
Other expenses	-	-	180
Total expenses and costs	222,048	159,031	904,795
Operating profit (loss)	(55,417)	14,263	234,556
Listing expenses	-	-	(53,909)
Changes in financial assets measured at fair value through profit or loss	13,769	(38,750)	(61,436)
Finance income	15,308	18,310	96,550
Finance expenses	(73,673)	(25,566)	(208,555)
Profit (loss) before taxes on income	(100,013)	(31,743)	7,206
Taxes on income	8,835	7,674	(6,497)
Profit (loss) for the period	(91,178)	(24,069)	709
Other comprehensive loss - amounts that will be reclassified in the future to profit or loss:			
Exchange differences on translation of foreign operations	(5,993)	(1,627)	(8,103)
Other comprehensive income (loss) - items that will not be reclassified subsequently to profit or loss:			
Gain (loss) from revaluation of property, plant and equipment, net of tax	1,167	(451)	9,103
Changes in financial assets measured through other comprehensive income	(9,984)	-	(10,063)
Changes in the fair value of a financial liability designated at fair value through profit or loss attributable to changes in credit risk, net of tax	-	-	943
Total comprehensive income (loss)	(105,988)	(26,147)	(7,411)

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Net income (loss) attributable to:			
The Company's shareholders	(58,011)	(26,584)	28,834
Non-controlling interests	(33,167)	2,515	(28,125)
	(91,178)	(24,069)	709
Total comprehensive profit (loss) attributable to:			
The Company's shareholders	(65,527)	(28,906)	25,253
Non-controlling interests	(40,461)	2,759	(32,664)
	(105,988)	(26,147)	(7,411)
Basic and diluted net earnings (loss) per share attributable to the Company's shareholders (in NIS):			
Basic and diluted net income (loss):			
Basic and diluted net income (loss) per share	(0.1715)	(0.0809)	0.0873
Weighted average share capital used in the calculation of basic and diluted earnings per share	338,233	328,558	330,326

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Changes in Equity

	For the three months ended March 31, 2026 (unaudited)										
	Share capital	Share premium	Capital reserve in respect of transactions between a Company and its controlling shareholder	Revaluation reserve	Other capital reserves	Foreign currency translation reserve	Retained earnings	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Balance as of January 1, 2026	3,309	1,234,875	30,491	101,757	58,326	(77,835)	1,338,332	2,689,255	1,054,615	3,743,870
Loss for the period	-	-	-	-	-	-	(58,011)	(58,011)	(33,167)	(91,178)
Foreign currency translation reserve	-	-	-	-	-	(2,978)	-	(2,978)	(3,015)	(5,993)
Changes in financial assets through other comprehensive income	-	-	-	-	(5,139)	-	-	(5,139)	(4,845)	(9,984)
Gain from revaluation of property, plant and equipment, net of tax	-	-	-	601	-	-	-	601	566	1,167
Total comprehensive income (loss) for the period	-	-	-	601	(5,139)	(2,978)	(58,011)	(65,527)	(40,461)	(105,988)
Dividend declared	-	-	-	-	-	-	(25,000)	(25,000)	-	(25,000)
Issuance of shares	102	179,898	-	-	-	-	-	180,000	-	180,000
Transactions with holders of non-controlling interests	-	-	-	-	39,704	-	-	39,704	52,183	91,887
Capital investments by holders of non-controlling interests	-	-	-	-	-	-	-	-	29,456	29,456
Distributions to holders of non-controlling interests	-	-	-	-	-	-	-	-	(167)	(167)
Balance as of March 31, 2026	3,411	1,414,773	30,491	102,358	92,891	(80,813)	1,255,321	2,818,432	1,095,626	3,914,058

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Changes in Equity

(Continued)

	For the three months ended March 31, 2025 (unaudited)									
	Share capital	**Share premium**	**Capital reserve in respect of transactions between a Company and its controlling shareholder**	**Revaluation reserve**	**Other capital reserves**	**Foreign currency translation reserve**	**Retained earnings**	**Total attributable to equity holders of the Company**	**Non-controlling interests**	**Total equity**
	NIS thousands	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**
Balance as at January 1, 2025	3,226	1,110,527	30,491	94,385	(15,588)	(71,544)	1,334,499	2,485,995	976,393	3,462,388
Profit for the period	-	-	-	-	-	-	(26,584)	(26,584)	2,515	(24,069)
Foreign currency translation reserve	-	-	-	-	-	(2,013)	-	(2,013)	386	(1,627)
Loss from revaluation of property, plant and equipment, net of tax	-	-	-	(309)	-	-	-	(309)	(142)	(451)
Total comprehensive income (loss) for the period	-	-	-	(309)	-	(2,013)	(26,584)	(28,906)	2,759	(26,147)
Dividend declared	-	-	-	-	-	-	(25,000)	(25,000)	-	(25,000)
Issuance of shares	83	124,349	-	-	-	-	-	124,432	-	124,432
Transactions with holders of non-controlling interests	-	-	-	-	-	-	-	-	(2,700)	(2,700)
Distributions to holders of non-controlling interests	-	-	-	-	-	-	-	-	(9,538)	(9,538)
Balance as at March 31, 2025	3,309	1,234,875	30,491	94,076	(15,588)	(73,557)	1,282,915	2,556,521	966,914	3,523,435

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Changes in Equity

(Continued)

	For the year ended December 31, 2025									
	Share capital	**Share premium**	**Capital reserve in respect of transactions between a Company and its controlling shareholder**	**Revaluation reserve**	**Other capital reserves**	**Foreign currency translation reserve**	**Retained earnings**	**Total attributable to equity holders of the Company**	**Non-controlling interests**	**Total equity**
	NIS thousands	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**
Balance as of January 1, 2025	3,226	1,110,527	30,491	94,385	(15,588)	(71,544)	1,334,498	2,485,995	976,393	3,462,388
Profit (loss) for the year	-	-	-	-	-	-	28,834	28,834	(28,125)	709
Foreign currency translation reserve	-	-	-	-	-	(6,291)	-	(6,291)	(1,812)	(8,103)
Changes in the fair value of a financial liability designated at fair value through profit or loss attributable to changes in credit risk, net of tax	-	-	-	-	943	-	-	943	-	943
Changes in financial assets through other comprehensive income	-	-	-	-	(5,605)	-	-	(5,605)	(4,458)	(10,063)
Gain from revaluation of property, plant and equipment, net of tax	-	-	-	7,372	-	-	-	7,372	1,731	9,103
Total comprehensive income (loss) for the year				**7,372**	**(4,662)**	**(6,291)**	**28,834**	**25,253**	**(32,664)**	**(7,411)**
Dividend paid	-	-	-	-	-	-	(25,000)	(25,000)	-	(25,000)
Capital investments of non-controlling interests	-	-	-		-	-		-	12,072	12,072
Issuance of shares	83	124,348	-	-	-	-	-	124,431	-	124,431
Transactions with holders of non-controlling interests	-	-	-	-	78,576	-	-	78,576	114,092	192,668
Distributions to holders of non-controlling interests	-	-	-	-	-	-	-	-	(15,278)	(15,278)
Balance as of December 31, 2025	3,309	1,234,875	30,491	101,757	58,326	(77,835)	1,338,332	2,689,255	1,054,615	3,743,870

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.

Condensed Consolidated Statements of Cash Flows

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Cash flows from operating activities			
Net cash used in operating activities (Appendix A)	(96,849)	(287,280)	(660,952)
Cash flows from investing activities			
Loans granted to companies accounted for using the equity method, net of tax	(12,894)	(11,717)	(39,524)
Repayment of loans from companies accounted for using the equity method, net of tax	1,303	1,500	23,791
Purchases and investments in investment property (including investment property under construction), net	(29,454)	(129,365)	(245,076)
Business combinations - see Appendix C	-	-	(55,700)
First-time consolidation of subsidiaries - see Appendix D	-	-	(33,450)
Advances on account of investment property	(37,270)	(4,209)	(21,159)
Sale (purchase) of financial instruments at fair value through profit or loss, net	(2,238)	561	(465)
Purchase of and investments in property, plant and equipment	(30,315)	(17,781)	(61,816)
Completion of payment of deferred consideration for the acquisition of a subsidiary	(22,127)	-	-
Investment in right-of-use assets	-	-	(5,000)
Purchase of other assets	-	30	-
Change in cash and restricted deposits in construction-financing accounts	25,343	472,331	488,386
Net cash provided by (used in) investing activities	(107,652)	311,350	49,987
Cash flows from financing activities			
Credit from banking corporations, net	56,498	77,421	108,230
Receipt of long-term loans from banking corporations	41,404	282,737	784,834
Repayment of long-term loan from banking corporations	(50,224)	(497,278)	(801,293)
Repayment and purchase of own bonds	-	-	(250,952)
Issuance of bonds	148,014	-	356,133
Issuance of shares, net	180,000	124,432	124,431
Merger of a subsidiary - see Appendix E	-	-	69,692
Repayment of loans from others	(282)	(545)	(2,083)
Repayment of lease liability	(7,638)	(6,415)	(27,631)
Distributions to non-controlling interests	(162)	(9,538)	(15,278)
Transactions with non-controlling interests	91,887	(2,700)	21,876
Dividend paid	-	-	(25,000)
Capital investments of non-controlling interests	29,458	-	4,160
Net cash provided by (used in) financing activities	488,955	(31,886)	347,119
Exchange differences on cash and cash equivalents balances	(960)	(834)	(1,268)
Increase (decrease) in cash and cash equivalents	283,494	(8,650)	(265,114)
Cash and cash equivalents at the beginning of the period	145,162	410,276	410,276
Cash and cash equivalents at the end of the period	428,656	401,626	145,162

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.
Condensed Consolidated Statements of Cash Flows
(Continued)

Appendix A – Net cash provided by (used in) operating activities:

	For the three months ended March 31		For the year Ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Net income (loss)	(91,178)	(24,069)	709
Adjustments for profit and loss items:			
Profits (losses) of companies accounted for using the equity method (including finance income, net), net of tax	1,535	(11,001)	(155,250)
Decrease (increase) in fair value of investment property, net	12,317	15,182	(104,677)
(Profit) loss from fair value adjustment of financial instruments at fair value through profit or loss	(13,769)	38,750	61,436
Fair value adjustment of bonds	476	(516)	188
Revaluation of loans from banking corporations	(14,774)	6,596	52,701
Depreciation of property, plant and equipment and right-of-use assets	27,472	18,547	91,328
Revaluation of loans from others	(261)	120	214
Other expenses	-	-	53,909
Deferred taxes, net	(1,765)	(10,421)	6,080
	11,231	57,257	5,929
Changes in asset and liability items:			
Increase (decrease) in advances on account of sale of inventory of land and inventory of buildings in planning and under construction	6,677	112,153	235,252
(Increase) decrease in debtors and debit balances	(10,082)	6,442	(42,055)
(Increase) decrease in income tax receivables	(1,003)	(1,551)	2,820
Decrease (increase) in receivables from the sale of land and apartments under construction	23,482	(33,040)	(73,954)
Increase in suppliers and service providers	2,562	4,820	9,558
Increase (decrease) in payables and other credit balances and liability for current taxes	18,484	(32,863)	20,762
Decrease in inventory of real estate and buildings for sale due to sales (before acquisition and investment in land)	(169)	(234,567)(*)	(246,964)
	39,951	(178,606)	(94,581)
Net cash used in operating activities (before purchases of and investments in land)	(39,996)	(145,418)	(87,943)
Purchases of and investments in land (including capitalized financing costs)	(56,853)	(141,862)(*)	(573,009)
Net cash used in operating activities	(96,849)	(287,280)	(660,952)

(*) Reclassified

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.
Condensed Consolidated Statements of Cash Flows
(Continued)

Appendix B - Additional information on cash flows from operating activities:

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Cash paid during the period for:			
Interest	74,802	67,935	341,471
Taxes on income	2,156	9,549	29,151
Cash received during the period for:			
Interest	2,543	1,175	4,389
Taxes on income	16	367	2,421

Appendix C – Business combinations:

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Cash paid during the period for:			
Other accounts receivable	-	-	(3,875)
Right-of-use assets	-	-	(561,024)
Property, plant and equipment, net	-	-	(7,220)
Goodwill and intangible assets	-	-	(150,331)
Loans from banks and financial corporations	-	-	74,000
Loans from others and other liabilities	-	-	7,949
Lease liabilities	-	-	573,389
Payables and other credit balances	-	-	1,326
Deferred taxes	-	-	6,019
Non-controlling interests	-	-	4,067
	-	-	(55,700)

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Israel Canada (T.R.) Ltd.
Condensed Consolidated Statements of Cash Flows
(Continued)

Appendix D - First-time Consolidation of Subsidiaries:

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Cash paid during the period for:			
Working capital (excluding cash and cash equivalents), net	-	-	19,861
Right-of-use assets	-	-	(90,790)
Property, plant and equipment	-	-	(28,352)
Loans from others	-	-	9,009
Lease liabilities	-	-	52,977
Non-controlling interests	-	-	3,845
	-	-	(33,450)

Appendix E – Merger of a Subsidiary:

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Cash paid during the period for:			
Working capital (excluding cash and cash equivalents), net	-	-	1,616
Financial assets at fair value	-	-	(36,168)
Investment in associates	-	-	(15,448)
Deferred taxes	-	-	2,808
Other expenses	-	-	(53,909)
Capital reserve from transactions with non-controlling interests	-	-	63,342
Non-controlling interests	-	-	107,451
	-	-	69,692

The accompanying notes to the condensed consolidated financial statements constitute an integral part thereof.

Note 1 - General

Israel Canada (T.R.) Ltd. (hereinafter - "the Company" or "the Group") is engaged, through subsidiaries, in the development, marketing and management of real estate projects in Israel and abroad. Additional information about the Group's operating segments is presented in Note 6.
These condensed consolidated financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2025 and for the year then ended, and the accompanying notes thereto, except as regards new standards.

Note 2 - Summary of significant accounting policies

A. Basis for Preparation of the Financial Statements:

The condensed consolidated financial statements (hereinafter - "interim financial statements") of the Group were prepared in accordance with International Accounting Standard IAS 34, "Interim Financial Reporting" (hereinafter - "IAS 34").

In preparing these interim financial statements, the Group applied accounting policies, presentation rules, and calculation methods identical to those applied in the preparation of its financial statements as of December 31, 2025, and for the year then ended.

The condensed consolidated financial statements were prepared in accordance with the disclosure provisions in Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

B. Determination of fair value of investment property and investment property under construction in interim reports:

For the purpose of determining the fair value of investment property, the Company relies on a valuation performed by an independent appraiser once a year or on the date of initial recognition of the investment property. In addition, at each interim reporting date, the Company examines the need to update the fair value estimate of its investment property relative to its fair value determined on the last date a valuation was performed, in order to examine whether this estimate represents a reliable estimate of the fair value as of the interim reporting date. This examination is performed by reviewing changes in the relevant real estate market, in the lease agreements for the property, in the macroeconomic environment affecting the property, as well as new information regarding material transactions made in the vicinity of the property and in similar properties and any other information that may indicate changes in the fair value of the property. If, in the Company's assessment, there are indications that, for certain properties, the fair value as of the interim reporting date is materially different from the fair value estimated on the last date a valuation was performed, the Company estimates the fair value of these properties as of the interim reporting date.

As of March 31, 2026, the Company, with the assistance of external appraisers, examined whether there were indications that the fair value of the investment property was materially different from the value estimated by an external appraiser on December 31, 2025. In the examination performed during the reporting period, which included economic influencing factors, among them capitalization rates, occupancy rates and rent on the Company's properties, and real estate transactions, the Company recognized a net decrease in the fair value of investment property in the amount of approx. NIS 12 million.

C. Taxes on income in interim reports:

Income tax expense (income) for the periods presented include total current taxes, as well as the total change in deferred tax balances, except for deferred taxes arising from transactions credited directly to equity and from business combination transactions.

Tax expenses (income) in interim periods are accrued using the average annual effective income tax rate. For the purpose of calculating the effective income tax rate, tax losses for which no deferred tax assets were recognized, which are expected to reduce the tax liability in the reporting year, are deducted.

Note 2 - Summary of Significant Accounting Policies (Continued)

D. Exchange rates and linkage bases:

(1) Balances in or linked to foreign currency are included in the financial statements at the representative rates of exchange published by the Bank of Israel that were in effect at the end of the reporting period.

(2) Balances linked to the Consumer Price Index (CPI) are presented according to the last known index at the end of the reporting period (the index of the month preceding the month of the financial report date).

(3) Presented below are data on the dollar exchange rate and on the index:

	Representative exchange rate of			Price index	Construction Input Price Index
	US Dollar	The Euro	The Ruble	Consumer Price Index (last known)	Construction Input Price Index (last known)
	(NIS per 1 USD)	(NIS per 1 Euro)	(NIS per 1 Ruble)	Points	Points
Date of the financial statements:					
As of March 31, 2026	3.165	3.636	0.039	111.159	140.8
As of March 31, 2025	3.7180	4.0219	0.0449	109.548	138.2
As of December 31, 2025	3.190	3.7455	0.04	111.3	140.2
Rates of change:	%	%	%	%	%
For the three months ended:					
March 31, 2026	(0.7)	(2.92)	(2.5)	(0.13)	0.43
March 31, 2025	1.95	5.94	49.66	1.05	3.44
For the year ended:					
December 31, 2025	(12.53)	(1.34)	33.3	2.67	4.94

Note 3 - Financial Instruments

Financial instruments not measured at fair value:

Except as detailed in the following table, the Group believes that the carrying amount of the financial assets and liabilities presented at amortized cost in the financial statements approximates their fair value:

	Book value		
	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Financial liabilities:			
Series F bonds and interest payable	-	19,954	-
Series G bonds and interest payable	550,203	774,769	543,138
Series H bonds and interest payable	901,138	542,851	886,999
Series A bonds and interest payable (1)	148,013	-	-
	1,599,354	1,337,574	1,430,137

	Fair value		
	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Financial liabilities:			
Series F bonds and interest payable	-	19,826	-
Series G bonds and interest payable	542,217	762,263	537,001
Series H bonds and interest payable	918,408	552,183	927,870
Series A bonds and interest payable (1)	150,735	-	-
	1,611,360	1,334,272	1,464,871

(1) Series A bonds of the hotel company. For details, see Note 4(h).

Note 4 - Material transactions and events in the reporting period

A. The hotel company - lease and management agreement for the The George Hotel in Tel Aviv:

On January 1, 2026, Israel Canada Hotels Holdings signed a lease and management agreement for “The George” hotel in Tel Aviv (including commercial space and parking areas), with Elco Alpha Ltd. (the property owner), a subsidiary controlled by Elco Ltd.

The lease agreement is for a period of 5 years, with an option to extend for an additional 5 years.

Israel Canada Hotels Holdings will operate the hotel, which includes 167 guest rooms in addition to public areas, including dining rooms, conference and event halls, a swimming pool, a bar and a members' club, as well as service areas of a suitable scope. The agreement includes customary provisions in agreements of this type, including fixed rent, variable rent, and the like.

As part of the transaction, a management agreement was also signed, according to which the subsidiary will manage the members' club operating in the hotel, known as "Friends of George", and will be entitled to the revenues derived from its management.

The agreement was conditional upon receiving the approval of the Competition Commissioner, which was in fact received, and the subsidiary commenced operating of the hotel on March 1, 2026.

B. "New Ramat Hasharon" Project:

Further to what is stated in Note 15 (d) to the Company's consolidated financial statements as of December 31, 2025, on October 22, 2025, the Ramat Hasharon municipality filed a petition with the court. A hearing on the petition is scheduled for July 13, 2026.

On January 4, 2026, the Company signed an agreement to purchase the rights of one of the partners, who held 1.25% in the limited partnership, for a consideration of approx. NIS 2 million. The consideration was paid in full.

C. HQ Project, Herzliya 4006 joint transaction:

Further to Note 15(d) to the Company's consolidated financial statements as of December 31, 2025, on January 5, 2026, a Form 4 was received for the project.

On March 12, 2025, the subsidiary, together with a partner unrelated to the Company, entered into an agreement to purchase all the rights of a party unrelated to the Company in the HQ Herzliya project, constituting approx. 4,100 gross sq.m., as well as 22 parking spaces and storage areas, in consideration for a total of NIS 82 million plus VAT and linkage differences. The subsidiary's share in the purchase is 83.4%, and the partner's share is approx. 16.6%. As of the report date, approx. NIS 35 million has been paid. Furthermore, part of the consideration was paid by the subsidiary by assigning a debt of Tidhar under the project's credit facility to Pangaea.

On December 23, 2025 and in March 2026, the subsidiary entered into two agreements for the purchase of 1,400 sq.m. (gross) of employment space, parking, and storage areas, from one of the Company's partners in the joint transaction that established the project. This is in consideration for a total of approx. NIS 34 million plus VAT as required by law. As of the report date, the subsidiary has paid the seller approx. NIS 18 million and the balance will be paid to the seller by way of assigning the seller’s debt under the project credit facility to the subsidiary.

In March 2026, the subsidiary entered into two agreements for the (total) purchase of approx. 370 sq.m. (gross) of employment space, parking and storage areas in the project from third parties unrelated to the Company, for a consideration of approx. NIS 11.2 million plus VAT as required by law. The transactions were completed, but the registration in the Land Registry in the subsidiary's name has not yet been completed.

On January 27, 2026, the subsidiary entered into an agreement for the sale of 732 sqm (gross) of employment space, parking spaces and storage areas in the project to a third party unrelated to the Company, for a consideration of approx. NIS 14.5 million plus VAT as required by law. As of the report date, the purchaser paid the subsidiary (in trust) a total of approx. NIS 1.5 million and the balance of the consideration will be paid to the subsidiary 14 days from the date of receipt of a letter of exclusion from the project's financing bank.

Note 4 - Material transactions and events during the reporting period (continued):

D. "Business Village" project, Netanya:

Further to what is stated in Note 15 (j) of the Company's consolidated financial statements as of December 31, 2025, the Company is promoting a plan under the authority of a local committee for a mixed-use project with a construction scope of approx. 250 thousand sq.m. On January 7, 2026, the plan was deposited for objections. The Company intends to promote in the future an urban building plan (TABA) under the authority of a district committee for additional building rights with a scope of approx. 150 thousand sq.m.

E. Operating lease of investment property and the Kadima Zoran project:

Further to what is stated in Note 15A of the Company's consolidated financial statements as of December 31, 2025, regarding the engagement of the subsidiary together with a third-party partner who is not a related party to the Company (hereinafter: "the Partner") (the subsidiary's share in the transaction - 50%) in an agreement to purchase approx. 162 additional unspecified dunams of land for a consideration of approx. NIS 73 million plus VAT as required by law. The purchase is subject to the fulfillment of a number of conditions precedent which, as of the balance sheet date, have not yet been fulfilled.

As of December 31, 2025, the Company paid an advance in the amount of approx. NIS 26 million and the purchase tax.

On December 21, 2025, an agreement was signed for the transfer of part of the partner's rights to the subsidiary, so that thereafter the subsidiary will hold two-thirds of the area sold, in consideration for a total of approx. NIS 12,150 thousand.

On January 19, 2026, the acquisition of approx. 162 dunams of undivided land was completed (the Company's share is 66.6%) - and the Company signed an agreement with a local bank for the provision of a credit facility in the amount of approx. NIS 24 million, which will be renewed from time to time in accordance with the Company's decision and will be repaid no later than January 20, 2031.

F. Private placement of shares to investors:

Further to what is stated in Note 16D, on January 25, 2026, the Company's Board of Directors approved a private placement of the Company's shares to an institutional body from the Harel Group, which is a shareholder in the Company (hereinafter - 'the Investor'), in which the Company allocated to the Investor 10,198,300 Company's shares at a price of NIS 17.65 per share of the Company and for a total consideration of approx. NIS 180 million.

G. The hotel company - lease and management agreement for Club Hotel Tiberias:

On July 20, 2025, the hotel company, through a subsidiary, Israel Canada Hotels Holdings ("the Lessee"), entered into a conditional lease agreement with a third party ("the Lessor") regarding the Club Hotel in the city of Tiberias ("the Hotel") for a period of 15 years, with an option to extend by approx. 10 additional years ("the Lease Agreement" or "the Agreement"). According to the Agreement, the Lessee will be responsible for renovating the Hotel within a period of 12 months from the delivery date, and the renovation costs, in an estimated amount of NIS 45 million, will be divided equally between the Lessee and the Lessor (50% each). However, any deviation in the renovation costs (if any) will be borne by the Lessee alone. The Agreement came into effect on January 1, 2026, after the fulfillment of its conditions precedent, including receiving the approval of the Competition Commissioner.

H. The hotel company - Issuance of Series A bonds:

On January 26, 2026, the hotel company issued bonds (Series A) with a total par value of NIS 150 million, which were listed for trading on the Tel Aviv Stock Exchange.

The bonds bear fixed annual interest at a rate of 5.84%, are not linked to any index, and are repayable in 7 unequal installments in the years 2027–2030. The bonds are not secured by collateral and are not rated.

Note 4 - Material transactions and events during the reporting period (continued):

H. The hotel company - Issuance of Series A bonds: (continued)

In accordance with the trust indenture, the hotel company undertook to comply with financial covenants, which include, inter alia:

a. Consolidated equity (including non-controlling interests) shall not be less than NIS 200 million for two consecutive calendar quarters.
b. The ratio of adjusted net financial debt to net CAP shall not exceed 80% for two consecutive calendar quarters.
c. Restrictions on the distribution of dividends, including a requirement for minimum equity after distribution and compliance with leverage ratios stipulated in the deed of trust.

I. The hotel company - Private placement of shares:

On January 28, 2026, the board of directors of the hotel company approved a private placement of 68,159,688 ordinary shares of the Company to an institutional body from the Harel Group (hereinafter: “the Investor”) for a total consideration of approx. NIS 70 million (NIS 1.027 per share). The allotted shares constitute approx. 7.59% of the issued and paid-up share capital of the hotel company (and approx. 7.47% on a fully diluted basis).

Upon completion of the allocation, the Investor will become an interested party in the hotel company. After the offering, the Company holds approx. 51.47% of the hotel company's share capital.

J. The hotel company - acquisition of 50% of the "Galilion" hotel and 50% of the "Kfar Giladi" hotel:

On February 9, 2026 (“the Engagement Date”), a wholly-owned subsidiary of the hotel company (“the Subsidiary”), entered into agreements with third parties unrelated to the Company or its controlling shareholders (“the Sellers”), for the purchase of 50% of the rights in the corporation that holds and operates a hotel known as the 'Kfar Giladi Hotel', comprising 158 rooms (“the Kfar Giladi Hotel Corporation” and the “Kfar Giladi Hotel”, as applicable) and for the purchase of 50% of the rights in the corporation that holds and operates a hotel known as 'Galilion', comprising 120 rooms (“the Galilion Hotel Corporation” and the “Galilion Hotel”, and together: “the Acquired Corporations”, as applicable) and into agreements for the management of the hotels (“the Transaction”), for the consideration and on the terms detailed below.

The consideration for the rights in the Kfar Giladi Hotel Corporation will be NIS 77.5 million, less half of the net financial debt of the Kfar Giladi Hotel Corporation (which is expected to be approx. NIS 40 million at the closing date) and subject to the working capital adjustments of the Kfar Giladi Hotel Corporation, as detailed in the relevant agreement.

The consideration for the rights in the Galilion Hotel Corporation will be NIS 65 million, subject to the net financial debt of the Galilion Hotel Corporation not exceeding the amount stipulated in the relevant agreement, and also subject to working capital adjustments of the Galilion Hotel Corporation, as detailed in the relevant agreement.

The closing of the transaction is subject to the fulfillment of customary conditions precedent, within 180 days from the Engagement Date, the main ones of which are: receipt of required regulatory approvals, including from the Competition Commissioner, the Ministry of Tourism, and financing institutions for the transfer of rights; approval of the Israel Land Authority (ILA) and receipt of a tax ruling from the Tax Authority for the purpose of transferring the Kfar Giladi Hotel real estate to the Kfar Giladi Hotel Corporation prior to the closing date; completion of refinancing by way of increasing the amount of the existing bank loan in the Kfar Giladi Hotel Corporation, in an amount that will be used to repay the existing owners' loan debt. It is clarified that the closing of each of the transactions is contingent on the simultaneous closing of the other transaction.

In addition, the parties entered into management agreements with respect to the hotels, under which, starting from the date of receipt of the approval of the Competition Commissioner and subject thereto, the Company, through its subsidiary, will provide chain management services with respect to the hotels, in consideration for customary management fees in the field, which will be calculated from the total turnover of each hotel, plus an agreed-upon percentage of the operating profit of each hotel.

Note 4 - Material transactions and events during the reporting period (continued):

J. The hotel company - acquisition of 50% of the "Galilion" hotel and 50% of the "Kfar Giladi" hotel:

As of the publication date of this report, the conditions precedent have not yet been fully met, except for the approval of the Competition Authority, after which the Company began managing the hotels.

K. The "Dubnov" project:

Further to what is stated in Note 15k(2) to the Company's consolidated financial statements as of December 31, 2025, on February 16, 2026, the project was approved by the Tel Aviv City Engineer's forum.

L. Entry into the Acro merger transaction:

On February 18, 2026, the Company entered into a statutory merger agreement with Acro Group Ltd. (hereinafter: “Acro”), according to which, subject to the fulfillment of the conditions precedent detailed below, Acro will merge with and into the Company, such that all of Acro's assets and liabilities will be transferred to the Company As-Is (hereinafter: “the Merger”).

The merger transaction, if and when executed, will be carried out in a cash (40%) and shares (60%) transaction, in accordance with agreed company values, for the purpose of determining the merger exchange ratio only, of NIS 6.9 billion for the Company and NIS 3.1 billion for Acro (reflecting an exchange ratio of 1:2.2258). Notwithstanding the foregoing, should the 517,242 option warrants for Acro shares, which were previously allotted by Acro to institutional investors, be exercised by their final exercise date of August 5, 2026, Acro's value for the purpose of determining the merger ratios will increase by the full amount of the exercise consideration for said option warrants that will be received by Acro.

The entry into force of the agreement is subject to the fulfillment of conditions precedent by September 10, 2026, with the option to postpone said date to February 28, 2027 (the “Final Date”), the main ones of which are as follows:

1. The approval of the Board of Directors of each of the companies participating in the merger, which was received on February 18, 2026, as well as the approval of the General Meeting of each of the companies participating in the merger in accordance with the provisions of Sections 314 and 320 of the Companies Law by a simple majority, which was received on April 12, 2026 for both companies, after the balance sheet date.
2. Receipt of approval from the Tax Authority for a tax ruling (pre-ruling) under Section 103 of the Income Tax Ordinance [New Version], 1961, according to which the allotted shares to be allotted by the Company to Acro's shareholders will be taxed only upon their sale and not upon their allotment.
3. Completion of all procedures required for the merger transaction in accordance with the first chapter of the eighth part of the Companies Law and the regulations promulgated thereunder, including receipt of a merger certificate from the Registrar of Companies.
4. Receipt of the Stock Exchange's approval for the listing for trading of the Company's new shares and bond series which will be allotted (in place of the existing series) according to a shelf offering report to be published by the Company, and receipt of the Israel Securities Authority's permit for the shelf offering report.
5. Receipt of approval from the financing entities of the Company and Acro for the merger transaction, insofar as such approval is required under the terms of their respective agreements.
6. Receipt of the approval of the Competition Commissioner, which was received on April 13, 2026, after the balance sheet date.

In addition, it was agreed that until the completion date, Acro will not perform any action outside the ordinary course of business and will not make any distribution, as this term is defined in the Companies Law. In addition, Acro will not allot any shares or convertible securities except in connection with Acro's non-tradable option warrants. Acro will also be permitted to raise bonds in a scope not exceeding the scope set in the agreement. The Company will not perform any action outside its ordinary course of business and will not make any distribution, as this term is defined in the Companies Law, except for a permitted distribution in an amount not exceeding NIS 25 million.

Note 4 - Material transactions and events during the reporting period (continued):

M. Demand letter for a derivative action:

Further to what is stated in Note 15(S) to the Company's consolidated financial statements as of December 31, 2025, on February 18, 2026, the Company filed a statement of response to the motion, in which the Company argued that the motion is devoid of any factual and legal basis, and should be dismissed outright or, alternatively, on its merits, while charging the applicant with costs, inter alia, since the said real estate transactions in the U.S. did not constitute a business opportunity for the Company, and that the activity demarcation arrangement in place at the Company is valid. A hearing on the motion was scheduled for April 15, 2026, after the balance sheet date. During the hearing, the parties detailed their arguments before the court. At the end of the hearing, the court ruled that the applicant must notify the court within 14 days how it intends to proceed with the action, if at all. At the applicant's request, this deadline was extended to May 31, 2026.

N. Assisted Living:

Further to what is stated in Note 15(y) to the Company's consolidated financial statements as of December 31, 2025, on March 11, 2026, the assisted living company entered into an investment agreement (the "Investment Agreement") with three veteran pension funds under arrangement ("Amitim"), whereby the assisted living company will allot shares to Amitim at a rate of approx. 19.8% of the issued and paid-up share capital of the assisted living company (including on a fully diluted basis), in consideration for an equity investment of approx. NIS 28 million (the "Consideration"), and an owners' loan from Amitim of approx. NIS 30 million (the "Owners' Loan"), which reflects 20% of the total owners' loans provided to the assisted living company, including to the subsidiary's subsidiary. The loan principal and the accrued interest are repayable at the sole discretion of the assisted living company.

The consideration and the owners' loan will be used to reduce the bank debt of the assisted living company and for future growth and for the purchase or establishment of additional assets in the assisted living sector.

In addition, an investment framework was established by Amitim for up to NIS 100 million (including the Consideration and the Owners' Loan, with future investments by Amitim of up to approx. NIS 42 million) (the "Amitim Framework"). Any amount provided by Amitim from the Amitim Framework will be provided in parallel by the Company, according to its pro-rata share. It should be noted that after the Amitim Framework is utilized, a mechanism was established that will allow for additional financing for the assisted living company, even if Amitim does not participate in it.

O. Bank loan for the purchase of the house in Kfar Shmaryahu:

Further to what is stated in Note 12B(9) of the Company's consolidated financial statements as of December 31, 2025, on March 25, 2026, an amendment to the agreement with the banking corporation was signed, according to which the credit facility will be increased to an amount of approx. NIS 253 million. Furthermore, the repayment date was extended to May 31, 2027, and the interest on the loan will be Prime + 0.5%.

P. Bank loan for the "Emek Bracha" project, Tel Aviv:

Further to what is stated in Note 12B(11) to the Company's consolidated financial statements as of December 31, 2025, on March 12, 2026, the Company signed an amendment to the loan agreement with the Bank, whereby the repayment date was extended to May 9, 2027. In addition, the interest rate on the loans was changed to Prime + 0.7%.

Q. Resolution regarding the distribution of a dividend:

On March 23, 2026, the Company's Board of Directors approved the distribution of a cash dividend in the amount of NIS 25,000 thousand to the Company's shareholders. The dividend was distributed on April 13, 2026, after the balance sheet date.

R. "Midtown Jerusalem" Project:

Further to the disclosure in Note 15(m) to the Company's consolidated financial statements as of December 31, 2025, on March 31, 2026, the project company (the “Seller” or the “Owner”) entered into an agreement with Israel Canada Hotels Ltd. (the “Purchaser” and together with the Seller: the “Parties”), which is held by the Company at a rate of approx. 51.47%, for the sale of all the leasehold rights of a 200-room hotel under construction for a consideration of NIS 265 million, linked to the Construction Input Price Index for Commercial and Office Buildings (the “Consideration”), and into a management agreement for a 53-room luxury hotel in a building for preservation (which is owned by the Owner) (the “Management Agreement”), in the “Midtown Jerusalem” project.

Note 4 - Material transactions and events during the reporting period (continued):

R. "Midtown Jerusalem" Project (continued):

The entry into effect of the purchase agreement is contingent upon the approval of the Purchaser's General Meeting ("the Condition Precedent") within 180 days of the signing date. On May 20, 2026, subsequent to the balance sheet date, the General Meeting approved the Company's engagement in the transaction, thereby fulfilling the Condition Precedent.

The consideration shall be paid as follows:

(a) 7% will be paid upon fulfillment of the Condition Precedent;
(b) 13% will be paid within 14 months of the signing date;
(c) 45% will be paid up to 3 months before the delivery date;
(d) 35% will be paid up to 14 days before the delivery date.

The expected delivery date of the property sold to the Purchaser is September 30, 2030 (subject to agreed extensions).

In addition, the Seller will contribute NIS 30 million plus VAT as required by law for the purpose of carrying out finishing works, which will be paid against the actual performance of the works (the “Finishing Works Budget”).

Regarding the management agreement, the Purchaser will manage the hotel in a building designated for preservation for the owners under an international hotel brand franchise and will provide it with central management services including professional consulting in the establishment of the hotel in a building designated for preservation, including in connection with the brand agreement, sales, operations, headquarters services, etc., as is customary in similar agreements.

The Purchaser will be entitled to management fees at a rate of 3% of the total sales turnover of the hotel in a building designated for preservation, as well as 8% of the operating profit in each calendar year. Expenses and costs related to the hotel in a building designated for preservation will be borne by the owners, as is customary in management agreements.

Material transactions and events during the reporting period in associates

S. Associate Company - Lev Bavli Ltd.:

Further to what is stated in Note 8B(4)(b) to the Company's consolidated financial statements as of December 31, 2025, on January 2, 2026, demolition work commenced on the Lev Bavli project, as well as the start of construction work. The Company partially completed the conditions for entry into the bank financing and therefore, in agreement with the bank, received an interim facility until the conditions are fully met. Accordingly, on March 29, 2026, Lev Bavli signed with the lenders an amendment to the financing agreement, whereby the date for the fulfillment of the conditions precedent was postponed, and an additional preliminary financing loan of NIS 50 million was provided.

T. ICR - New Iceland project, Jerusalem:

On February 18, 2026, a wholly-owned subsidiary of ICR, together with a third party, signed an agreement to purchase 70% of all the Seller's rights and obligations in connection with a redevelopment project (the subsidiary's share is 65%).

The project includes 10 buildings at 24-42 Iceland Street (even numbers only) in Jerusalem, comprising 128 existing apartments. The zoning plan (TABA) for the project was published for entry into force on December 27, 2024.

In accordance with the zoning plan (TABA), the project allows for the construction of approx. 700 residential apartments in high-density construction, of which approx. 97 apartments are designated for long-term rental, 120 inclusionary housing units, commercial space, offices and employment areas, public buildings and ancillary uses.

Within the framework of the agreement, 3 conditions precedent were set for the transaction to come into effect. Subject to the fulfillment of the conditions precedent, the subsidiary will pay consideration for the sold asset and reimbursement of expenses incurred by the Seller in connection with the project in the amount of approx. NIS 12 million.

Within the framework of the agreement, additional consideration of approx. NIS 2.8 million was determined, as well as management fees of approx. NIS 11 million, to be paid in the event of excess profitability as defined in the sale agreement.

Note 4 - Material transactions and events during the reporting period (continued):

Material transactions and events during the reporting period in associates (continued):

T. ICR - New Iceland project, Jerusalem (continued):

The agreement sets forth management and decision-making mechanisms in the project.

On March 1, 2026, the first condition precedent was met, and therefore on March 8, 2026, the above consideration of NIS 12 million plus VAT as required by law was paid (out of the said total, an amount of approx. NIS 1 million before VAT was transferred to the Seller and the balance of approx. NIS 11 million before VAT was transferred to an escrow account until the second and third conditions precedent are met). On April 13, 2026, after the balance sheet date, the conditions precedent were fully met, the transaction became effective, and the balance of NIS 11 million (before VAT) was transferred to the Seller.

U. Joint transaction - A.K.A. Beit Mars Ltd.:

Further to what is stated in Note 8B(4)(h) to the Company's consolidated financial statements as of December 31, 2025, on February 19, 2026, a City Engineer forum was held in which it was recommended to promote a plan under the authority of the Local Committee, with a scope of approx. 61 thousand sq.m. for residential, employment, and commercial uses, and the plan was approved for deposit.

V. ICR - vacate-and-build project on Hantke Street in Jerusalem - Pastoral Project:

Further to what is stated in Note 8B(4) and (13) to the Company's consolidated financial statements as of December 31, 2025, during the reporting period, all the conditions precedent for the vacate-and-build agreement in the Hantke (Pastoral) project were met. At the end of March 2026, all the landowners were evacuated and the Company began demolishing the buildings and executing the project.

Note 5 - Transactions and events after the reporting period

A. Joint transaction - Vertical City Ltd.:

Further to what is stated in Note 8B(4)(g) of the Company's consolidated financial statements as of December 31, 2025, on April 14, 2026, after the balance sheet date, the Company was updated by a representative of the Tel Aviv District Planning and Building Committee that at a meeting held on April 13, 2026, the District Committee decided on the deposit, subject to conditions, of a plan to increase the building rights and add height in the project compound.

The plan, which was approved for deposit subject to conditions, includes building rights totaling 357 thousand sqm, of which: approx. 240 thousand sq.m. for employment (an addition of approx. 127 thousand sq.m. relative to the valid plan); 33 thousand sq.m. of residential space for marketing on the free market (the valid plan does not include such residential space); commercial space in a scope of approx. 14 thousand sq.m. (an addition of approx. 7 thousand sq.m. relative to the valid plan); 400 rental housing units and 350 student dormitories in a scope of approx. 36 thousand sq.m. and approx. 11 thousand sq.m., respectively (no change relative to the valid plan); public buildings and institutions in a scope of approx. 24 thousand sq.m. (an addition of approx. 13 thousand sq.m. relative to the valid plan).

In accordance with the revenue recognition policy, the associate company began to recognize revenues from the project during the reporting period. As of March 31, 2026, revenue of approx. NIS 20 million was recorded.

B. Series I Bonds:

On May 10, 2026, subsequent to the balance sheet date, the Company issued Series I Bonds with an aggregate par value of approx. NIS 305.3 million, bearing annual interest of 5.29%, for consideration of approx. NIS 305.3 million.

The principal of the bonds will be repayable in five unequal annual installments on April 30 of each of the years 2030 through 2034, such that the first payment will constitute 10% of the principal, the second payment will constitute 15% of the principal, and each of the third, fourth and fifth payments will constitute 25% of the principal.

Note 5 - Transactions and events after the reporting period (continued):

C. Series I Bonds (continued):

The interest will be paid semi-annually on the following dates: October 31, 2026, on April 30 and October 31 of each of the years 2027 through 2033, and on April 30, 2034.

The Company has undertaken to comply with the following financial covenants:

- Solo equity-to-balance-sheet ratio will not be less than 30%.
- The Company's equity shall not be less than NIS 1.4 billion before the completion of the Acro merger transaction and not less than NIS 2 billion after the completion of the merger transaction with Acro, as detailed in Note 4(L).
- The ratio of consolidated equity to total consolidated assets, according to the Company's consolidated financial statements, shall not be less than 15%.
- Adjusted net financial debt to net CAP ratio shall not exceed 80%.

The interest rate borne by the bonds will be adjusted for a deviation in one or more of the financial covenants described below:

- The solo equity-to-balance-sheet ratio shall not be less than 32.5%.
- The Company's equity shall not be less than NIS 1.7 billion before the completion of the Acro merger transaction and NIS 2.4 billion after the completion of the merger transaction with Acro.
- Consolidated equity-to-balance-sheet ratio shall not be less than 17%.
- The equity-to-CAP ratio shall not exceed 77.5%

D. Bank loan - People Project (Kremenetsky Compound):

Further to what is stated in Note 12B(13) to the Company's consolidated financial statements as of December 31, 2025, on May 17, 2026, after the balance sheet date, the Company entered into a payment voucher arrangement with a local bank for the purpose of issuing payment vouchers to purchasers, according to which the purchasers in the project will be provided with bank guarantees under the Sales Law for the proceeds deposited to the account by means of payment vouchers (excluding the VAT component thereof), up to a maximum amount of NIS 100 million, where all the proceeds will be paid by means of payment vouchers and will be used for the partial repayment on account of the total credit facility provided to the project company for the purpose of purchasing the land. The credit facility will be provided until May 20, 2028 and will bear prime interest.

E. ICR - Combination Transaction - Tel HaShomer, Ramat Gan - Serenity Project:

Further to Note 8B(4)(f)(14) to the Company's consolidated financial statements as at December 31, 2025, during April 2026, after the balance sheet date, ICR received a building permit for the project.

F. Bank loan - "SHE" project:

Further to what is stated in Note 12B(6) to the Company's consolidated financial statements as of December 31, 2025, on May 20, 2026, after the balance sheet date, the partnership entered into the financing agreement and the payment voucher arrangement as detailed below:

a. The credit facility is in the amount of approx. NIS 478 million (including Sales Law guarantees, performance guarantees, and levies).
b. The final repayment date of the credit facility and interest is May 20, 2028.
c. The interest on the credit facility is at the prime rate.
d. Entering into a payment voucher arrangement for the purpose of issuing payment vouchers to purchasers, according to which purchasers (residential and offices) in the project will be provided with bank guarantees under the Sales Law for the proceeds deposited to the account via payment vouchers (excluding the VAT component thereof), not within the framework of construction financing under the Sales Law, up to a maximum amount of NIS 100 million, whereby all proceeds will be paid via payment vouchers and will be used for partial repayment against the total credit facility.

Note 6 - The Security Situation

Further to Note 31 to the consolidated financial statements as at December 31, 2025, as of this date, the main effects of the security situation in Israel (including the campaign against Iran, for which the ceasefire is still in effect as of this date) on the Company's activity as of the report publication date, are as follows:

The real estate development sector – As of the publication date of this report, and despite the security events during the current quarter as a result of Operation "Roaring Lion", as a rule, activity at the sites is proceeding as usual. It should be emphasized that with the start of Operation "Roaring Lion", a "special situation on the home front" was declared, and the general directive was to cease work activities in workplaces that are not part of essential sectors; however, the construction industry was officially defined as an essential industry, and therefore, subject to the conditions set, work could continue in it during the state of emergency. In this context, the Company's construction sites operated as usual even before the ceasefire, subject to compliance with the relevant safety and security guidelines. As of the Report date, there has been no material impact on the progress rate of the Company's projects. The Company continues to monitor developments and adapt its activities in accordance with the directives of the competent authorities.

Income-producing real estate segment — As of the date of this report, the occupancy rate in the Company's existing properties is high (approx. 97% on average), and in addition, the scope of engagements for the lease of properties that the Company is required to renew in the near future is not material, as most of the existing lease agreements are for long-term periods.

Hotel management segment — With the outbreak of Operation "Roaring Lion", there were cancellations of reservations and a significant decrease in the occupancy of the Group's hotels. Unlike previous states of emergency, the number of evacuees in the hotels decreased significantly. In light of this and as an immediate response, the hotel company's management acted to adjust the operating expense structure, including closing some of the hotels and placing employees on unpaid leave. As of the report publication date, most of the Group's hotels have resumed operations, but occupancy rates are still affected by the uncertainty regarding the security situation. Within the framework of the lease agreements and understandings with some of the Company's lessors, adjustments were made to the lease payments for operations in some of the Company's hotels in relation to the period of Operation "Roaring Lion".

Notwithstanding the foregoing, it should be emphasized that given the existing uncertainty regarding the security developments (which are largely dependent on developments in the regional and international arenas), and the fact that this is a dynamic event characterized by great uncertainty, the Company is unable to reliably assess the extent of the possible effects of the security situation, if any, on its activity, financial condition and results.

The Company continues to routinely monitor the relevant security and macroeconomic developments, to examine their possible effects on its activity, and to take, as required, appropriate managerial and operational measures in order to reduce its exposure (if any) to risks and to maintain the continuity of its business operations.

Note 7 - Segment Reporting

A. General:

Operating segments are identified based on the internal reports about the Group's components, which are regularly reviewed by the Group's chief operating decision-maker for the purpose of allocating resources and assessing the performance of the operating segments. The reporting system provided to the Group's chief operating decision-maker, for the purpose of allocating resources and assessing the performance of the various segments, is based on geographical areas, the manner of marketing the projects, as well as the manner of generating revenues from the projects and the operating profit. Regarding projects managed in an investee company in which the Company is a partner and which are presented in the statements using the equity method, data is reviewed based on the Company's proportional share in the projects. General and administrative expenses are not attributed to the Company's segments and therefore appear in the unallocated expenses item.

The Company's operating segments in accordance with IFRS 8 are detailed below:

Segment A - Project Development in Israel:	Generates its revenues from projects in Israel in which the Group develops and sells commercial space and/or offices and/or apartments under the Sales Law guarantees, as well as revenues from the sale of land at an opportunistic price.
Segment B - Land in Israel:	Derives its revenues from the Company's activities in the sale and/or marketing of land in Israel.
Segment C - Investment property in Israel:	Derives its revenues from the Company's rental activities and/or from land in Israel designated for development for rental purposes.
Segment D - Hotels segment:	Represents the Company's activity in the hotel sector.
Segment E - Land in Russia:	Represents the Company's activity in the projects in Russia.
Segment F - Other:	Mainly represents the Company's activity in the initiation and management of purchasing groups in Israel, investment in innovation corporations with an affinity to the real estate sector, assisted living, parking lot management and in a project in Poland.

Note 7 - Segment Reporting (Continued)

B. Analysis of revenues and results by operating segments:

	For the three months ended March 31, 2026 (unaudited)							
	Project Development in Israel	Land in Russia	Land in Israel	Investment property in Israel	Hotels	Others	Adjustments	Total
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Revenues	141,786	317	24,067	22,078	55,968	6,635	(84,220)	166,631
Segment results	12,740	203	10,187	(4,801)	(41,766)	(922)	(14,019)	(38,378)
Unallocated expenses								(17,039)
Finance expenses								(73,673)
Finance income								29,077
Profit before taxes on income								(100,013)
Segment assets	6,356,236	183,596	1,368,684	4,096,105	2,404,277	348,920	(1,550,092)	13,202,226
Segment liabilities	(4,795,011)	(73,695)	(661,971)	(1,993,496)	(1,989,159)	(133,329)	352,993	(9,293,668)

Note 7 - Segment Reporting (Continued)

B. Analysis of revenues and results by operating segments: (Continued)

	For the three months ended March 31, 2025 (unaudited)							
	Project Development in Israel	Real estate in Russia	Real estate in Israel	Investment property in Israel	Hotels	Others	Adjustments	Total
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
Revenues	116,309	635	54,170	21,832	55,928	5,588	(81,168)	173,294
Segment results	19,476	593	30,033	(5,423)	(5,009)	(492)	(7,828)	31,350
Unallocated expenses								(17,087)
Finance expenses								(64,316)
Finance income								18,310
Profit before taxes on income								(31,743)
Segment assets	5,474,220	206,054	1,322,937	3,649,375	1,296,843	305,055	(1,166,584)	11,087,900
Segment liabilities	(4,038,096)	(84,179)	(670,038)	(1,865,558)	(954,354)	(162,938)	210,698	(7,564,465)

Note 7 - Segment Reporting (Continued)

B. Analysis of revenues and results by operating segments: (Continued)

	For the year ended December 31, 2025							
	Project Development in Israel	**Real estate in Israel**	**Investment property in Israel**	**Hotels**	**Real estate in Russia**	**Others**	**Adjustments for consolidation**	**Total**
	NIS thousands	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**	**NIS thousands**
Revenues	497,218	316,586	88,824	389,809	1,903	18,390	(173,379)	1,139,351
Segment results	28,934	141,646	199,339	6,994	1,378	34,259	(99,520)	313,030
Unallocated expenses								(132,383)
Finance expenses								(269,991)
Finance income								96,550
Profit before taxes on income								7,206
Segment assets	5,964,356	1,345,762	4,028,513	2,222,089	185,369	348,958	(1,454,092)	12,640,955
Segment liabilities	(4,406,165)	(654,686)	(1,971,049)	(1,777,678)	(74,919)	(133,483)	120,895	(8,897,085)
Additional information:								
Increase in value of investment property, net	-	-	130,755	19,539	-	39,436	(85,053)	104,677
Cost of sales	(407,851)	(76,586)	(13,681)	(402,354)	-	(26,449)	238,485	(688,436)
Depreciation and amortization	-	-	(1,084)	(78,289)	-	(269)	(538)	(80,180)
Finance expenses	(280,354)	(49,274)	(116,411)	(81,284)	(5,171)	(11,985)	274,488	(269,991)

Note 8 - Investments accounted for at equity

A. Summarized financial information for a material associate company - Vertical City Ltd.:

The following amounts are as they appear in the associate company's financial statements:

The financial statements of the associate company are attached to the Company's reports in accordance with Regulation 44.

	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Current assets	913,060	720,124	810,174
Non-current assets	1,339,831	1,024,579	1,321,117
Current liabilities	(1,165,958)	(799,229)	(1,034,242)
Non-current liabilities	(644,208)	(573,775)	(636,489)
Equity attributable to shareholders	(442,725)	(371,699)	(460,560)
The Company's share of equity, net	247,483	207,780	257,453
Loans and other adjustments	317,247	263,903	313,822
Book value of the investment in the associate company	564,730	471,683	571,275

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Revenues	21,477	-	-
Operating profit (loss)	(10,898)	(14,329)	113,635
Profit (loss) after tax	(17,835)	(10,347)	78,514
Profit (loss) attributable to shareholders	(17,835)	(10,347)	78,514
Company's share of profit (loss)	(9,970)	(5,784)	43,889

Note 8 - Investments Accounted for Using the Equity Method (Continued):

B. **Condensed financial information for a material associate company - Israel Canada Raam Projects Ltd. (ICR):**

The following amounts are as they appear in the associate company's financial statements:

The financial statements of the associate company are attached to the Company's reports in accordance with Regulation 44.

	As of March 31		As of December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Current assets	3,300,114	2,641,667(*)	3,056,186
Non-current assets	407,903	1,056,886(*)	372,982
Current liabilities	(2,952,034)	(2,761,112)(*)	(2,675,132)
Non-current liabilities	(113,767)	(378,984)(*)	(114,112)
Equity attributable to shareholders	(517,170)	(446,129)(*)	(515,223)
The Company's share of equity, net	258,585	223,064(*)	257,612
Loans and other adjustments	117,106	119,711(*)	114,696
Book value of the investment in the associate company	375,691	342,775	372,308

	For the three months ended March 31		For the year ended December 31
	2026	2025	2025
	NIS thousands	NIS thousands	NIS thousands
	(Unaudited)		(Audited)
Revenues	180,499	227,639(*)	1,000,107
Gross profit	32,387	51,287(*)	246,132
Operating profit	20,724	39,884	196,943
Profit after tax	2,292	13,657(*)	95,124
Profit attributable to shareholders	1,947	11,313(*)	80,407
Company's share of profit	974	5,656(*)	40,203

(*) Reclassified due to the effect of the ISA staff position regarding urban renewal transactions.

Note 9 - Approval of the Financial Statements

The financial statements were approved for publication on May 27, 2026 by the Company's Board of Directors.