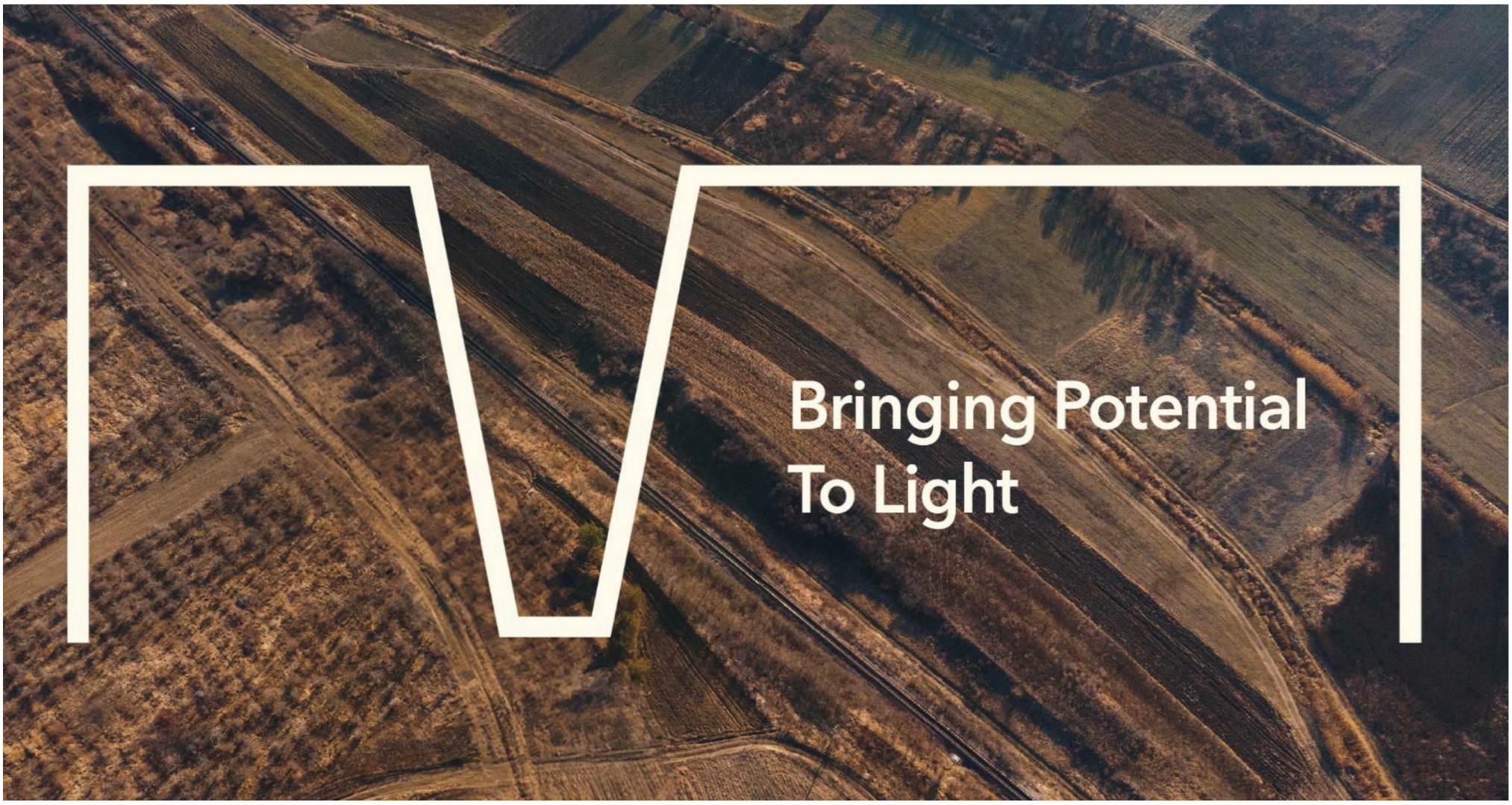
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Mega Or Holdings Ltd.

Report for the period ended March 31, 2026

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Chapter A

Board of Directors' Report

For March 31, 2026

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Board of Directors' Remarks on the Company's Business State

The Board of Directors of Mega Or Holdings Ltd. ("the Company") (the Company together with all private corporations held by it, directly and/or indirectly, shall hereinafter be referred to as: "the Group"), is pleased to submit the Board of Directors' Report for the period ended March 31, 2026 ("the report period" or "the report" or "the quarter" or "the reported period"), in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970.

This report was prepared on the assumption that the reader has the Company's Periodic report for 2025 as published on February 26, 2026 (reference no. 2026-01-018302) ("the Periodic report"), which is included in this report by way of reference. In this report, terms shall be attributed the meaning given in the Periodic report, unless otherwise stated. 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 report period, whose impact is material, and should be read together with the Description of the Corporation's Business chapter as well as the Board of Directors' Report chapter included in the Periodic report.

Areas of Activity

Below is a concise description of the 3 areas of activity in which the Group operates:

1) **Investment Real Estate - Logistics centers, industrial buildings, commercial centers and yielding lands**

   During the report period, the Group continued to focus its business activity in the field of real estate entrepreneurship, in the acquisition, development and construction of buildings on land (through execution contractors) in Israel for the purpose of leasing them. As of the publication date of this report, most of the Company's assets are logistics buildings, industrial/storage buildings and commercial centers (which include both open shopping centers and commercial centers leased to a single tenant (such as Ikea and Jumbo stores)).

   As of March 31, 2026, the company owns 64 yielding properties, with an area of approximately 1,005 thousand sqm populated at high occupancy rates of approximately 99% and 6 properties under construction with an area of approximately 217 thousand sqm.

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2) Investment Real Estate – Data Centers – during the report period the Company continued the initiation, planning, construction and operation of Data Centers in Israel, through the subsidiary Mega D.C Ltd. ("Mega D.C").

As of March 31, 2026, the Group, through Mega D.C, has one active Data Center with a total capacity of approximately 9.5 IT MW, as well as Data Center facilities under construction with a total capacity of 313 IT MW. During and after the report period, Mega D.C purchased 2 plots with a total area of approximately 200 dunams in the Yoav Regional Council and in Hadera, whose zoning allows for various uses, including Data Centers use. For further details see section 1.1 of Chapter B below – update of the Description of the Corporation's Business to the Periodic report for 2025.

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3) **Investment in Discount Investment Corporation Ltd (DIC)** - The company holds 29.9% of the issued and paid-up share capital of DIC. DIC is a public holding company, incorporated in Israel whose securities are traded on the Tel Aviv Stock Exchange and is the indirect controlling shareholder of Gav-Yam Land Corporation Ltd.

Additional activities of the company that do not constitute a field of activity

As of the report date, the Group has additional activities that do not amount to a field of activity, as detailed below:

a. **Energy activity** - The company is engaged in energy activities, including renewable energy activities in Israel and abroad (abroad - through "Big Mega Renewable Energy Ltd.", held by it and by BIG Shopping Centers Ltd in equal parts ("the joint energy company")).

For more information regarding the Group's energy activity, see sections 26.2 and 38.3 of the Periodic report.

b. **Real Estate Investment Financing** – As of the report date, the company has an entitlement to receive rent payments from the Israel Police for a property in Ariel under a BOT transaction, for a period of 24 years and eleven months, beginning on November 15, 2019, which is presented in the financial reports as a financial asset. For further details, see section 26.1 of the Periodic report.

c. **Investment in securities** – As of the report date, the company holds marketable securities in the amount of approximately 297,841 thousand NIS, presented in the company's financial reports within current assets, as well as investments in private companies (whose securities are not marketable) within investments measured at fair value through profit or loss (non-current assets). In addition to the above, the company has invested through Mega D.C. in private startups (whose securities are not marketable) in amounts that are not material to the company.

For further details regarding the company's fields of activity, see sections 3, 20 and 23 of the Corporation's Business Description chapter and Appendix A to the Corporation's Business Description chapter included in the Periodic report, as well as Appendix A to the update of the Corporation's Business Description chapter below.

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Business Environment

Further to the provisions of Section 8 of Chapter A of the Periodic report (Description of Corporation's Business) –

During the report period, on February 28, 2026, the State of Israel and the United States launched a combined attack against Iran as part of Operation "Lion's Roar" ("the Operation"). In response, Iran attacked the State of Israel and other countries in the region using missiles and UAVs. In addition, at the beginning of March 2026, the combat front against the Hezbollah terrorist organization was reopened and the State of Israel began operating in southern Lebanon as well. With the start of the Operation, a special situation was declared in the home front of the State of Israel, where in all regions of the country, the activity level was moved from full activity to essential activity and various restrictions were imposed, including restrictions on gatherings, cessation of studies in the education system, and temporary closure of businesses. After the report period, during April 2026, a ceasefire was declared, initially on the front against Iran and later also on the front against Hezbollah.

As of the report publication date, there is uncertainty regarding the possibility that the fighting will resume, including the scope of the fighting, if it resumes as stated. Resumption of fighting may have a material negative impact on the state of the economy in Israel, which could affect the Group's operations.

Consequences of the Operation on Group Activity

The consequences of the Operation are only on the Group's commercial centers, since while the logistics centers and Data Centers operated normally during the Operation, some of the stores in the Group's commercial centers which are not defined as essential businesses were forced to close at the start of the Operation and opened gradually after about a week. The company did not grant broad relief to its tenants and granted negligible relief to tenants in specific cases only. It should be noted that in the company's commercial centers shared by the company and BIG, a broad relief framework for tenants for the Operation period was formulated. As of the report publication date, all reliefs amount to sums that are negligible to the company. It should be noted that no agreement was reached on granting additional reliefs beyond those mentioned above.

According to the macro-economic forecast of the Research Department of the Bank of Israel from March 2026 ("**Bank of Israel Forecast**")[1], the GDP growth forecast was updated downwards so that in 2026 it is expected to grow by 3.8% and in 2027 by 5.5%.

During the report period, the Consumer Price Index ("**the Index**") decreased by a cumulative rate of 0.1%. Within the Bank of Israel forecast, it was noted that the inflation rate during the four quarters ending in the first quarter of 2027 is expected to stand at 2.3%, while it was noted that the rise in oil prices contributes to the rise in the inflation environment in the short term and that on the other hand, there are expectations of a decrease in oil prices after the end of the Operation, easing of supply constraints and a decrease in uncertainty, leading to an assessment of a moderation in inflation as early as the second half of 2026.

Since the beginning of the year, the trend of increase in the Construction Input Index continued, which rose during the report period by a rate of approximately 0.4%. This increase caused an increase in the construction costs of the company's projects under construction and reduced their expected yield.

In January 2026, the Monetary Committee of the Bank of Israel decided to lower the bank of Israel interest rate by 0.25% to 4%. The Bank of Israel forecast noted that the bank of Israel interest is expected to stand at 3.5%-3.75% on average in the first quarter of 2027, with this forecast embodying one or two interest rate cuts during the coming year. For details about the impact of the bank of Israel interest on the company's operations, see this section below.

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[1] https://www.boi.org.il/publications/regularpublications/staff-forecast . According to the Bank of Israel forecast, the forecast was formulated under the working assumption that the Operation and the fighting in Lebanon would end towards April 2026 and under additional assumptions, the main points of which are: a. No further round of fighting will take place in the forecast horizon, but defense spending will be required in 2027 and beyond for preparation for such a round. b. Energy prices will decrease slightly with the end of the fighting, but they will be higher than their level before the start of the fighting.

During the report period, the strong shekel revaluation trend that began in 2025 continued. The strengthening of the shekel against foreign currencies may lead to a reduction in construction costs for some of the Group's projects.

It should be noted that in May 2026, the credit rating agency Standard & Poor's (S&P) announced that it is leaving Israel's credit rating at A without change and that it is leaving the rating outlook "stable".

Impact of the Decrease in the Consumer Price Index

The company's BONDS are index-linked and also bear annual interest which is also index-linked. Therefore, the decrease in the index led to a reduction in the company's financing costs. On the other hand, the company's income-producing real estate assets are leased under index-linked lease agreements, which is the main factor in raising interest. It should be noted that the increase in the fair value of the company's assets subject to these agreements. In the company's estimation, these mechanisms constitute long-term inflationary protection.

Impact of the Decrease in Interest Rate

As of the report date, the company has loans and commercial papers at variable interest. In the company's estimation, interest rate increases/decreases (as far as they occur) will not materially affect the company's results since most of the company's income is index-linked, which is the main factor for the interest rate increase. It should be noted that an increase in interest rates in Israel may have an impact on both the cost of raising new credit (including BONDS the company may issue) and the cost of refinancing existing credit (until the end of 2026, the company is expected to repay or act to refinance credit and BONDS in a total scope of 0.9 billion NIS (not including non-marketable commercial papers in the total amount of approximately 330 million NIS), of which 478 million NIS are at fixed interest).

Below is a table summarizing the company's credit balances (from banks and other financial entities) as of 31.03.2026 (in millions of NIS):

Credit Type	31.03.2026		31.12.2025	
	Amount	Average Interest	Amount	Average Interest
BONDS (including current maturities) index-linked – fixed interest	3,871	1.96%	4,134	1.96%
commercial papers – variable interest	736	4.35%	736	4.60%
Shekel bank credit – variable interest	491	6.27%	465	6.25%
Index-linked bank credit – fixed interest	238	3.51%	241	3.51%
Overdraft	1		1	

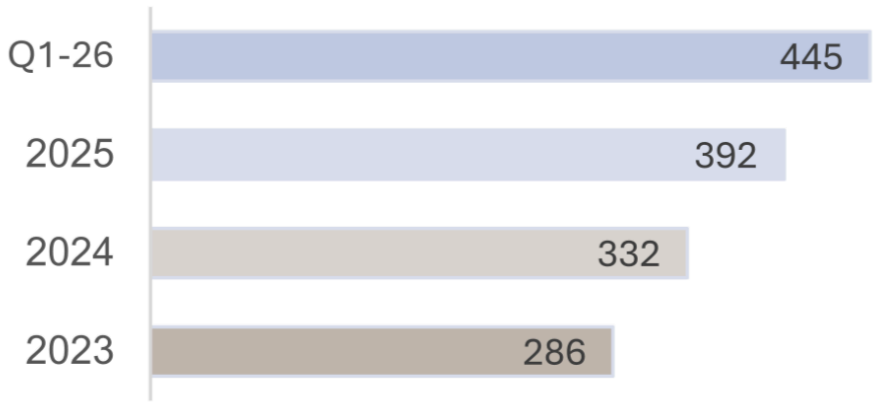
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The company's assessments as detailed above regarding trends, events and developments in the company's macro-economic environment which the company assesses had or may have an impact on the company's business results or on the expected developments in its fields of activity, including the company's assessments regarding the impact of inflation, the impact of the index increase and the interest rate hike, constitutes forward-looking information, as defined in the Securities Law, 1968 (hereinafter: "Securities Law"). This information is based, among other things, on evaluations and estimates of the company as of this reporting date based on information available to the company at the time of publication of this report. The realization of evaluations and estimates as stated is not certain and is not under the company's control, and therefore the actual results and consequences may be different, even materially, from the above.

Performance Summary for the First Three Months of 2026

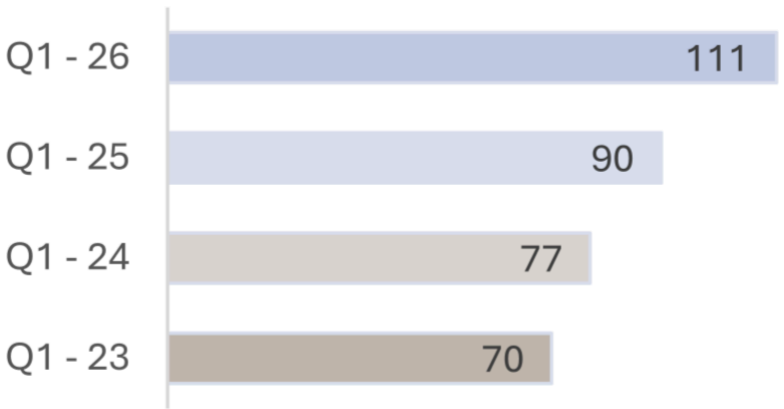
Actual NOI Owners' Share

Owners' share NOI in annual terms increased by approximately 14% compared to 2025 to a total of approximately 445 million NIS



Quarterly Actual NOI Owners' Share

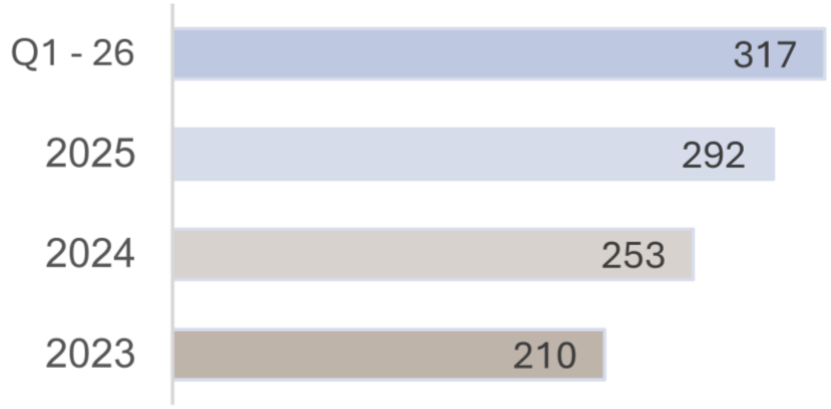
Quarterly owners' share NOI increased by approximately 23% compared to the corresponding period last year to a total of approximately 111 million NIS



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FFO per Management Approach

FFO in annual terms increased by approximately 9% compared to 2025 to a total of approximately 317 million NIS



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LTV (Net Debt to Group Asset Value Ratio)

The LTV rate at the end of the first quarter of 2026

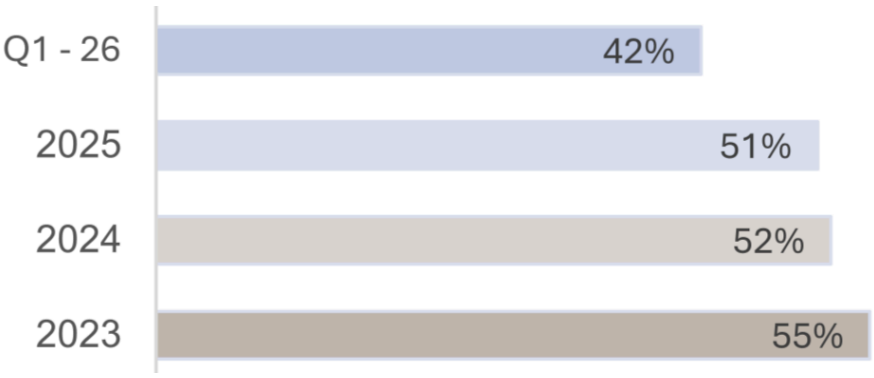
decreased by approximately 22% compared to the end of 2025.



Debt to Debt and Equity Ratio of the Company

The Debt to Debt and Equity ratio of the company decreased by approximately 18%

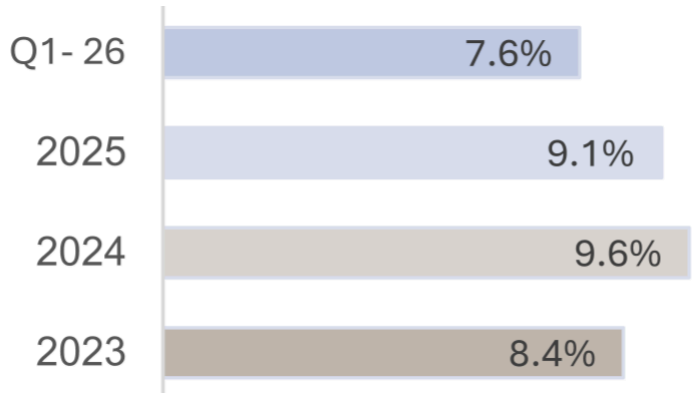
compared to the end of 2025.



FFO Yield on Equity

The FFO yield on equity decreased to a rate of

7.6% in the first quarter of 2026



NAV per Management Approach

The NAV according to the management approach at the end of the quarter totaled

NIS 161 per share, an increase of approximately 25% from the end of

2025

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Income-Generating Asset Status

Segmentation of our asset mix by risk and return characteristics as of March 31, 2026

	Area	Occupancy Rate	Value Attributed to Income-Generating	Representative NOI	NOI for the Report Period in Annual Terms	Actual NOI Growth	Average Rent	Weighted Yield Rate
	Thousands sq.m.	%	NIS millions	NIS millions	NIS millions	% relative to 2025	Monthly per sq.m.	%
Logistics Centers	617	100%	3,806	259	260	*8.8%	28	6.8%
Commercial Centers	225	98%	1,752	120	111	**(4.6%)	71	6.9%
Data Center	5	100%	390	37	37	100%	782	9.4%
Lots	158	100%	483	21	21	***80.1%	3	4.4%
Photovoltaic Systems and Wind Farms	-	-	-	35	13	32.8%	-	-
Total	**1,005**	**99%**	**6,431**	**472**	**442**	**14.1%**	**-**	**-**

* The growth in NOI is attributed to the acquisition of the Iskoor complex in Kiryat Gat (addition of NOI totaling approximately NIS 9 million per year) as well as the occupancy of the Controp management center with an area of approximately 29,500 sq.m. (addition of NOI totaling approximately NIS 11.6 million per year).

** The decrease in NOI is mainly attributed to concessions given to tenants in the "Lion's Roar" campaign, the effect of the decline in the Consumer Price Index, and compensation received for the Big Upper Galilee center in 2025 for a period when the property was closed during the Iron Swords War. Conversely, an increase in NOI was recorded due to the occupancy of Big Mega Or Migdal HaEmek with an area of approximately 11,000 sq.m. (addition of NOI totaling approximately NIS 3.2 million per year), occupancy of Jumbo Beer Sheva (addition of NOI totaling approximately NIS 4.6 million per year).

*** From January 1, 2026, the company began receiving rental income for lot 502 Yoav R.C. which is classified in the financial statements as of March 31, 2026 under the investment real estate under development section.

Assets in Initiation and Development Process

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The company sees growth through acquisition, initiation, and development of assets as the best potential for growth and maximizing profits, and regularly examines opportunities for the acquisition of new assets in the company's core activities.

Below are projects in various stages of planning and construction that are expected to increase the scope of the group's assets by a total of approximately NIS 13 billion:

Data Centers under Construction

Project	Company's Share	Location	Booked Power	Power
MDCIL-1 Phase B	100%	Modi'in	100%	9MWIT
MDCIL-2	100%	Yoav R.C.	*75%	40MWIT
MDCIL-3	100%	Haifa	-	20MWIT
Mevo Carmel	100%	Yokneam	100%	64MW
MDCIL-4 - Phase A	100%	Beit Shemesh	100%	60MWIT
MDCIL-4 - Phase B	100%	Beit Shemesh	-	60MWIT
MDCIL-5 - Phase A	100%	Bnei Shimon R.C.	-	60MWIT

* The remaining 25% are reserved for a client under a signed agreement.

According to the company's assessment, the construction cost of a Data Center is approximately USD 11 million for every 1MWIT (including land value). The expected NOI from Data Center activities totals approximately NIS 1 billion per year (NOI totaling approximately NIS 460 million per year is according to signed agreements).

Asset Name	Share in Asset Cost	Area	Leasable Area	Estimated Completion Date (Form 4)	Anchor Tenant	Net Project Value in Company Books as of 31.03.26 (NIS millions)	Estimated Construction Completion Cost (NIS millions)	NOI at Full Occupancy (NIS millions)
Logistics Centers								
Aeronautics Industry and Offices Modi'in	50%	Modi'in	40,600	Q3/2026	Government Defense Company	249	11	16
Machlev Yesodot Logistics Center	74%	Yesodot	6,450	Q4/2026	Machlev	29	13	3
Fox Group Main Logistics Center	33%	Har Tov	74,000	Q1/2027	Fox	131	85	16
Ishai	74%	Mateh Yehuda R.C.	62,000	Q4/2027	-	204	249	30
Timonim	50%	Timonim	19,160	Q1/2028	Gad Dairies	6	145	10
Commercial Centers								
Jumbo Eco Park Drom HaSharon Store	50%	Drom HaSharon	15,000	Q2/2027	Jumbo	20	39	5
Owners' Share			**217,210**			**639**	**542**	**80**

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Renewable Energy Abroad

Project	Company's Share	Location	Power	Expected Activation Date	Investment Cost in Books in NIS millions (Company's Share)	Expected Completion Cost in NIS millions (Company's Share)	Expected NOI in NIS millions (Company's Share)
Urleasca	50%	Romania	102MW	Q2/26	214	27	26
Vacareni	50%	Romania	102MW	Q2/27	50	230	26
Owners' Share					**264**	**257**	**52**

Lands for Future Development – Data Centers

Land Name	Share in Land Ownership	Area	Power	Land Value in Company Books as of 31.03.26 (NIS millions)
MDCIL-4 - Phase C	100%	Beit Shemesh	120MWIT	26
MDCIL-5 - Phase B	100%	Bnei Shimon R.C.	120MWIT	*
MDCIL-6	100%	Yoav R.C.	40MWIT	**
MDCIL-7	100%	Yoav R.C.	-	181
MDCIL-8	100%	Hadera	-	***
Owners' Share			**280MWIT**	**207**

* Represents an amount less than NIS 1 million.

** The lands appear under the Investment Real Estate under Development section.

*** Land purchased in April 2026, after the report period, with an area of approximately 180 dunams, for a total of approximately NIS 1 billion.

Lands for Future Development - Logistics Centers / Industrial Buildings

Land Name	Share in Land Ownership	Area	Lot Area (thousands sq.m.)	Land Value in Company Books as of 31.03.26 (NIS millions)	Land Designation
Neve Yamin Employment Center	74%	Eco Park Drom HaSharon	60	7	Employment, Industry and Offices
Neve Yamin Employment Center	100%	Eco Park Drom HaSharon	40	9	Employment, Industry and Offices
Ein Tzurim Logistics Center	74%	Kibbutz Ein Tzurim	47	1	Logistics and Storage
Beit Shemesh Open Storage	39%	Beit Shemesh	112	37	Open Storage
Holit Logistics Center	74%	Kibbutz Holit	50	1	Logistics and Storage
Elad Logistics Center	100%	Moshav Mazor	27	34	Logistics and Storage
Hagor Commercial Center	74%	Moshav Hagor	18	1	Commerce
Owners' Share			**354**	**90**	

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Additional Improvement Potential in the Company's Investments

Investment in Discount Investment Corporation Ltd.

As of the publication date of this report, the Company holds 42,315,247 DIC shares, representing 29.9% of DIC shares.

As also stated in the Periodic report, the investment in DIC is presented using the equity method.

For further details regarding the investment in DIC, see Note 5 to the financial statements attached to this report and Appendix A to Part B of this report (Update to the Description of Corporate Business chapter).

Examination of the investment in DIC as of March 31, 2026		
	Return on Investment	
Original investment cost (March 24, 2021)		338,880
Additional acquisitions during the period		67,700
Total investment cost		**406,580**
Investment book value		**497,186**
Fair value of investment as of March 31, 2026	**(24%)**	**306,997**
Fair value of investment as of report publication date	**(21%)**	**319,480**

Financial Management

During the last four years, the Company raised approximately NIS 4 billion. The Company has financial flexibility in raising debt under favorable conditions and with a long duration alongside the potential for capital raising, and it utilizes this potential for continued initiation, improvement, and development of projects and the utilization of business opportunities.

The guiding principles in managing financial debt are: 1. Diversification of funding sources 2. Maintaining liquidity balances 3. Extending debt duration 4. Maintaining strong and stable balance sheet data.

The Company's debt includes: series of public tradable and index-linked BONDS, loans, and credit facilities from banking sources (including commercial papers not listed for trade and commercial papers listed for trade).

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The Company's Financial Leverage

We examine the optimal debt framework for the Company and its adaptation to the business environment in which we operate. The nature of our activity, the sectoral diversification of our tenants, and the long duration of lease contracts in the logistics centers field, alongside the leverage reduction carried out in recent years, contributed to reducing the Company's risks, while maintaining a leverage level that allows business development and improvement of return on equity.

We believe that over time, leverage (LTV) between 55% and 60% is correct for the Company given the strength and stability of the cash flows our assets generate, and will allow the Company to develop its business in the best possible way.

Financial Challenges

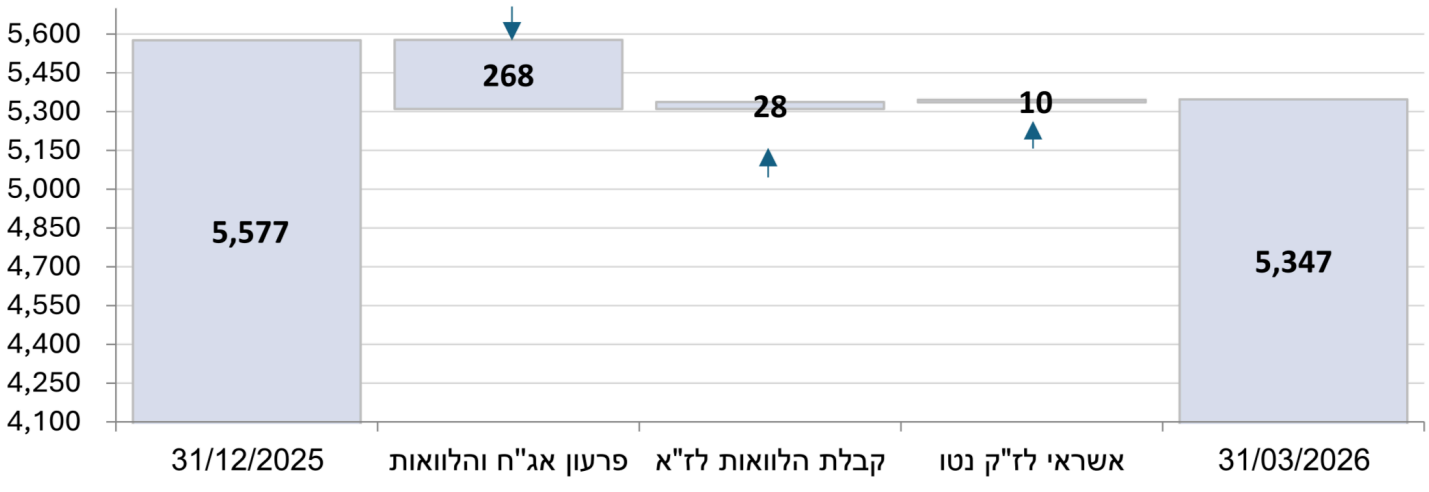
The structure of the Company's debt raising is determined as much as possible such that current principal repayments (excluding secured debt components) will be within the annual FFO range, so that even in situations where access to the capital market may be limited, no problem in debt service will arise.

The Company maintains an available cash balance of approximately NIS 200 million for current uses and preservation of cash flow flexibility.

The Company has unused approved credit facilities amounting to approximately NIS 175 million. Additionally, the Company has a volume of unencumbered income-producing assets valued at approximately NIS 3.8 billion.

As of March 31, 2026, the net financial debt balance is approximately NIS 3.7 billion.

Change in Gross Financial Debt (Extended Consolidated)



Remaining principal debt repayment schedule* over the years (in NIS millions)

Financing Source	Asset-Backed	Duration	Weighted Effective Interest	Debt Type	2026	2027	2028	2029	2030	2031	2032	2033	2034 onwards	Total par value balance linked 03.31.2026
Banking and others														
Linked	Yes	1.0	3.51%	Linked	6	231	-	-	-	-	-	-	-	237
Unlinked	Yes	1.7	5.99%	Shekel	17	257	229	-	-	-	-	-	-	503
Public														
Non-tradable commercial papers	No	0.5	4.35%	Shekel	330	-	-	-	-	-	-	-	-	330

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Financing Source	Asset-Backed	Duration	Weighted Effective Interest	Debt Type	2026	2027	2028	2029	2030	2031	2032	2033	2034 onwards	Total par value balance linked 03.31.2026
Tradable commercial papers	No	0.5	4.40%	Shekel	406	-	-	-	-	-	-	-	-	406
Series F	No	0.3	2.13%	Linked	147	-	-	-	-	-	-	-	-	147
Series G	No	0.9	2.16%	Linked	301	301	-	-	-	-	-	-	-	602
Series H	Yes	1.0	1.18%	Linked	-	478	-	-	-	-	-	-	-	478
Series I	No	2.8	2.03%	Linked	-	490	490	490	-	-	-	-	-	1,470
Series J	Yes	4.8	0.65%	Linked	4	8	8	8	8	8	76	-	-	120
Series XI	No	4.9	1.71%	Linked	21	42	42	42	42	42	424	-	-	655
Series XII	Yes	4.4	3.27%	Linked	-	-	71	71	71	130	130	-	130	473
Total Repayments			**2.75%**		**1,232**	**1,317**	**769**	**611**	**611**	**121**	**630**	**-**	**130**	**5,421**
Of which: Repayment of debt secured by a lien					14	975	237	78	78	78	205	-	130	1,795
Value of assets provided as collateral for debt														2,957
Annual principal repayments excluding secured debt components					1,218	342	532	533	533	43	425	-	-	3,626

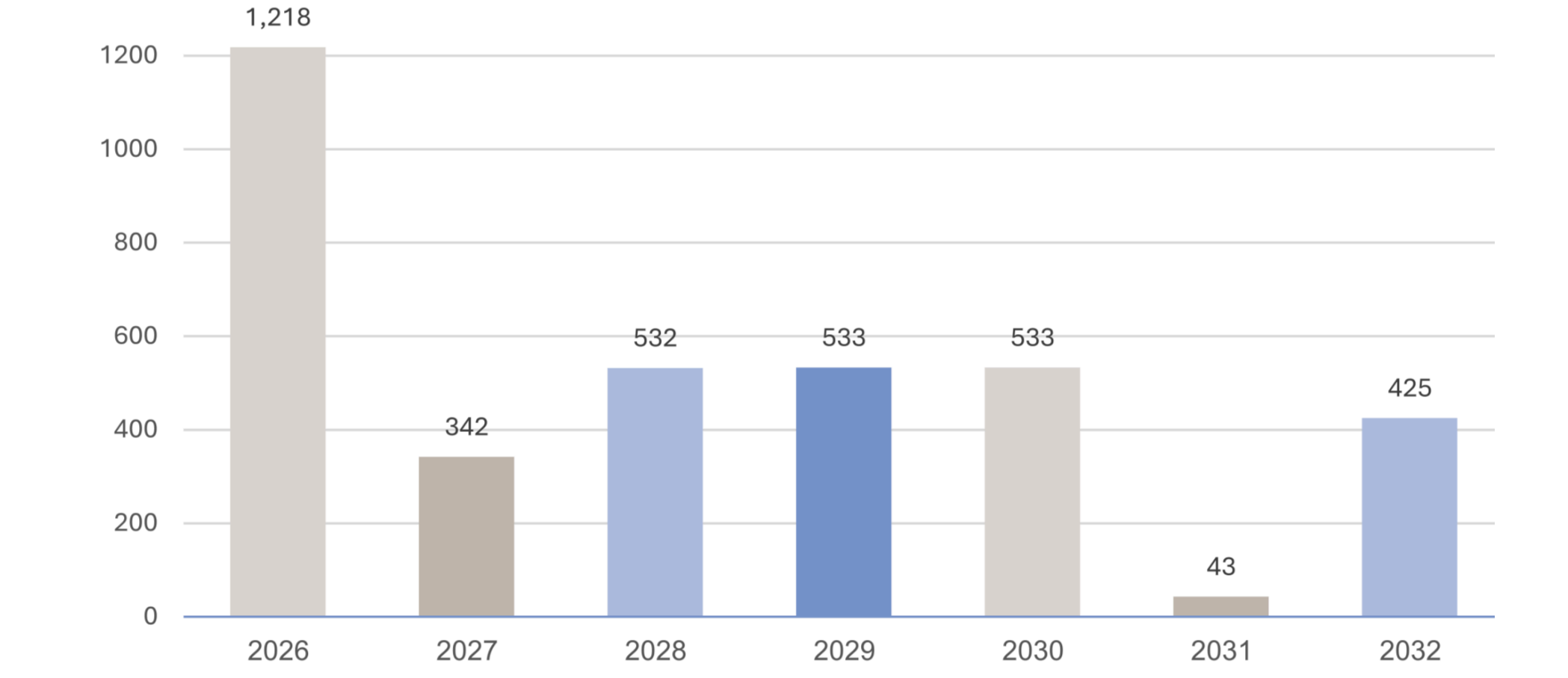
* The principal debt balance is CPI-linked

Remaining principal debt repayment schedule over the years (in NIS millions)

Current principal repayment rate

Excluding debt components secured by a lien

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Since the asset lien ratio is low (approx. 61%), the Company can consider at the time of debt repayment releasing the asset from the lien or, on the other hand, refinancing the debt against re-encumbering it under favorable conditions.

The cash flow stability generated by the Company's assets together with the financial strategy allow the Company to fund its operations under competitive financing terms from a variety of available sources.

Volume of unencumbered real estate and investments	**NIS 7.1 billion**
Ratio of unencumbered investment property value to total investment property value	71%
Ratio of secured debt to total value of investment property and investment in shares (BIG and DIC)	18%
Ratio of secured debt to value of encumbered investment property (LTV ratio in encumbered assets)	61%

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Total blended cost of debt

Below is a detail of the weighted effective cost of debt (real interest charged to profit and loss) as of the report date and over the repayment period of the Group's financial liabilities.

Balance of debt principal repayment schedule over the years (in NIS millions)

	2026	2027	2028	2029	2030	2031	2032	2033	2034 onwards	31.03.26
Total BONDS repayments	473	829	540	611	611	121	630	-	130	3,945
Effective interest (real)	-	1.56%	1.99%	2.14%	2.14%	2.56%	1.91%	-	3.27%	1.75%
Total non-marketable commercial papers repayments	330	-	-	-	-	-	-	-	-	330
Effective interest	4.35%	-	-	-	-	-	-	-	-	4.35%
Total marketable commercial papers repayments	406	-	-	-	-	-	-	-	-	406
Effective interest (real)	4.40%	-	-	-	-	-	-	-	-	4.40%
Total bank and other debt repayments	23	488	229	-	-	-	-	-	-	740
Effective interest	2.19%	4.81%	6.00%	-	-	-	-	-	-	5.41%

As of the report date, the weighted effective interest is estimated at approximately 2.75%, the weighted effective interest for the remaining debt repayments in 2026-2028 (totaling approximately NIS 3,318 million) is at a rate of approximately 3.1%.

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Leverage ratio on Group assets:
LTV (Loan To Value)

	31.03.2026	31.12.2025	31.12.2024	31.12.2023
	In NIS thousands			
Total financial debt (extended consolidated)	5,347,434	5,576,673	4,997,278	4,692,973
Less balances (from extended consolidated):				
Cash and short-term investments	(1,229,023)	(1,102,540)	(365,957)	(509,908)
Marketable financial assets and short-term deposits	(297,841)	(343,340)	(789,130)	(714,449)
Pledged cash and trust deposits	(92,855)	(69,546)	(318,974)	(68,505)
Loans against real estate collateral	(81,397)	(71,097)	(71,175)	(111,409)
Accounting differences not for repayment	70,673	75,352	19,023	(1,012)
Total net financial debt (extended consolidated)	**3,716,991**	**4,065,502**	**3,471,065**	**3,287,690**
Investment property and under construction (extended consolidated)	9,460,368	8,132,415	6,750,176	5,843,908
Asset held for sale	5,500	5,500	5,500	5,500
Equity-based investment and fair value	756,340	723,566	604,719	573,094
Total real estate and investments (extended consolidated)	**10,222,208**	**8,861,481**	**7,360,395**	**6,422,502**
Loan To Value (LTV) Ratio	**36%**	**46%**	**47%**	**51%**

Summary of main changes in leverage ratio during the reporting period

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LTV ratio calculated for December 31, 2025	46%
Investment property and investment property under development	(1%)
Share issuance less dividend paid	(7%)
Other	(2%)
LTV ratio calculated for March 31, 2026	**36%**

Explanation for the change in LTV during the period

The company generated positive current cash flow during the report period totaling approximately NIS 79 million.

Share capital issuance totaling approximately NIS 612 million decreased the LTV ratio by approximately 7%.

An increase in the fair value of yield-generating and under-construction real estate assets totaling approximately NIS 1,115 million contributed to decreasing the LTV ratio by approximately 5%.

Credit Rating

On August 11, 2020, Maalot announced the reaffirmation of the company's rating to ilA/positive issuer rating.

On March 31, 2021, Maalot announced the upgrade of the company's issuer rating to ilA+/stable.

On August 5, 2021, Maalot announced the reaffirmation of the company's issuer rating to ilA+/stable.

On August 11, 2022, Maalot announced the reaffirmation of the company's issuer rating to ilA+/stable.

On July 31, 2023, Maalot announced the reaffirmation of the company's issuer rating to ilA+/stable.

On July 25, 2024, Maalot announced the reaffirmation of the company's issuer rating to ilA+/stable.

On July 14, 2025, Maalot announced the reaffirmation of the company's issuer rating to ilA+/stable.

On April 16, 2026, Maalot announced the upgrade of the company's issuer rating to ilAA-/stable.

Below is information about the NOI (Net Operating Income from property rental and operation, net of depreciation and amortization) of the Group.

NOI (Net Operating Income)

Review of Performance Indicators

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According to the company management's estimate, the NOI is one of the most important parameters in the valuation of income-producing real estate. The result of dividing this figure by the common capitalization rate in the geographic area where the property is located ("Cap Rate") constitutes one of the indicators for determining the value of the property (in addition to other indicators such as: market value of similar properties in the same area, sale prices per built square meter derived from recent transactions performed, etc.). In addition, the NOI figure is used to measure the free cash flow available to service financial debt taken to finance the property acquisition, after deducting investments in improvements and maintenance of existing assets (Capex) from the NOI. It is emphasized that the NOI:

a. Does not present cash flows from operating activities according to generally accepted accounting principles.
b. Does not reflect cash available to finance all Group cash flows, including its ability to perform distribution of funds.
c. Should not be considered a substitute for net profit for the purpose of evaluating Group performance results.

Below is the development of quarterly NOI (in NIS thousands):

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
In NIS thousands					
NOI from existing assets (same property)	94,344	95,811	97,952	92,709	90,758
NOI from properties occupied or acquired during the period	20,725	16,390	5,613	4,843	3,020
Total NOI for the period	**115,069**	**112,201**	**103,565**	**97,552**	**93,778**
Minority interest in NOI	3,817	3,663	3,781	3,665	3,646
Total Owners' share of NOI	**111,252**	**108,538**	**99,784**	**93,887**	**90,132**

NOI from existing assets (same property) in the first quarter of 2026 totaled approximately NIS 94,344 thousand, an increase of approximately 4% compared to the same quarter last year. The increase is attributed to the signing of new contracts and the exercise of options in existing contracts with an increase in rent and an increase in the Consumer Price Index, net of concessions granted to tenants in the "Lion's Roar" operation in centers shared with BIG, in the amount of approximately NIS 1,050 thousand.

Owners' share of NOI in the first quarter of 2026 totaled 111,252 thousand NIS, representing an increase of approximately 23% compared to the same quarter last year. The increase results from the occupancy of BIG MEGA OR Migdal HaEmek, Jumbo Beer Sheva occupancy, the acquisition of the Iscor complex, operation of Data Center Phase A plot 62 in Modi'in, occupancy of the Controp management center, receipt of rent for plot 502 Yoav Regional Council, net of concessions granted to tenants in the "Lion's Roar" operation, growth attributed to signing new contracts and exercising options in existing contracts along with rent increases and the rise in the Consumer Price Index.

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FFO (Funds From Operations)

For the purpose of providing additional information on the results of operations, the Funds From Operations (FFO) index is presented below. This index is commonly used worldwide and provides a proper basis for comparison between income-producing real estate companies. The index was published by NAREIT (the organization of REIT companies in the USA) and by definition, expresses net reported profit, neutralizing income and expenses from the increase/decrease in the value of real estate and one-time income/expenses, and adding depreciation. The company's management believes that, in addition to the above, deferred tax expenses for previous years and financing expenses/income for the increase/decrease in the value of financial liabilities and assets should also be neutralized from the FFO calculation.

It should be emphasized that the FFO index does not present cash flows from current activities, does not reflect cash held by the company, and does not replace the net reported profit according to accepted accounting principles.

The company's management finds it appropriate to analyze the components that build FFO profits (Top-down) for the purpose of increasing transparency and deepening the understanding of what affects the FFO index. For details regarding the calculation for the FFO index, see Section 3 of Appendix A to the Board of Directors Report.

	Change from corresponding period	Quarter 1 2026	Quarter 1 2025	2025
in thousands of NIS				
Total NOI owners' share	21,120	**111,252**	90,132	392,341
Less the owners' share in the following expenses:				
Management and general (neutralizing depreciation and share-based payment)		**(10,860)**	(9,106)	(34,579)
Real interest expenses on financial debt		**(4,674)**	(12,309)	(53,759)
Neutralizing real financing income (expenses) that are non-cash for amortization of cost surplus		**(4,679)**	(928)	(10,200)
Dividend from marketable securities		**1**	2,158	11,063
Current tax expenses		**(11,892)**	(3,120)	(13,160)
Total representative real FFO according to management approach	**12,321**	**79,148**	**66,827**	**291,706**
Growth rate		**18%**		

FFO in the first quarter of 2026 increased by approximately 18% compared to the corresponding period last year. This growth is attributed to an increase in NOI in the amount of approximately NIS 21,120 thousand, less a decrease in dividends received from marketable securities in the amount of approximately NIS 2,157 thousand, less an increase in management and general expenses in the amount of approximately NIS 1,754 thousand, plus a decrease in real interest expenses on financial debt in the amount of approximately NIS 7,635 thousand, less an increase in non-cash real financing expenses in the amount of approximately NIS 3,751 thousand and less an increase in current tax expenses in the amount of approximately NIS 8,772 thousand.

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
in thousands of NIS					
Total representative real FFO according to management approach	79,148	78,594	77,846	68,439	66,827

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Representative real FFO in the first quarter of 2026 increased by approximately 1% compared to the previous quarter. This growth is attributed to an increase in NOI in the amount of approximately NIS 2,714 thousand, less an increase in management and general expenses in the amount of approximately NIS 4,977 thousand (increase in salary expenses), plus a decrease in real interest expenses on financial debt in the amount of approximately NIS 10,477 thousand, less a decrease in real financing expenses for amortization of cost surplus of approximately NIS 637 thousand, and less an increase in current tax expenses in the amount of approximately NIS 8,297 thousand.

Weighted Capitalization Rate (CAP RATE)

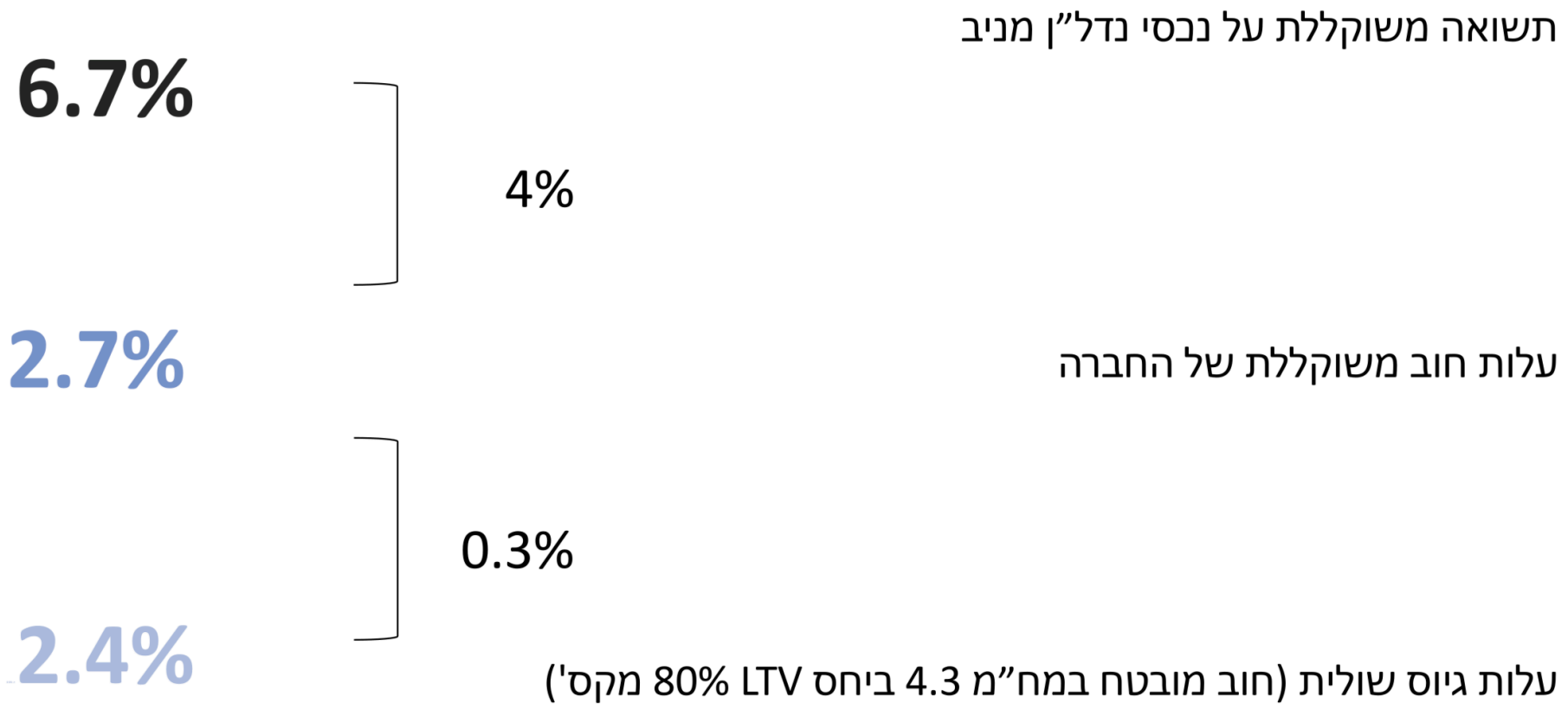
The following is an unaudited weighted capitalization rate (CAP RATE) calculation derived from all of the Group's income-producing real estate as of March 31, 2026:

Owners' share (Expanded Consolidated)	in thousands of NIS
Income-producing investment property as of March 31, 2026	6,547,347
Plus income-producing real estate appearing under income-producing real estate under construction	260,442
Less the value of lands classified as investment property	(1,465)
Less – value attributed to vacant spaces	(9,460)
Less – value of additional building rights	(32,615)
Less lease liabilities	(59,709)
Investment property attributed to leased spaces as of March 31, 2026	**6,704,540**
NOI first quarter 2026	115,069
Less interest income from loans to others and solar systems	(3,782)
NOI first quarter 2026 attributed to leased spaces	111,287
Annual NOI based on NOI first quarter 2026	445,148
Expected NOI for rental adjustments based on signed lease agreements	7,352
Total adjusted expected annual NOI	**452,500**
Weighted yield rate derived from income-producing investment property (Cap Rate)	**6.7%**

- Includes assets in jointly controlled companies presented in the financial statements on an equity basis.
- Adjusted expected NOI does not constitute a forecast of the Group for the year 2026.

Spread between Yield Rate and Cost of Debt

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Financial Review of Company Results

The Group's financial statements are prepared in accordance with IFRS standards, according to which the after-tax profit results of jointly controlled companies are presented in a single line "Company's share in profits of companies accounted for by the equity method, net" and net investments in these companies are presented in the balance sheet under the item "Investments in companies accounted for by the equity method".

The company's management analyzes its business performance according to its relative share in the assets and liabilities managed by it, i.e., based on the consolidation of its relative share in the companies held by it.

Profit and Loss	For the period ended March 31, 2026			For the period ended March 31, 2025		
	Consolidated (Audited)	Plus jointly controlled companies	Expanded Consolidated	Consolidated (Audited)	Plus jointly controlled companies	Expanded Consolidated
Gross profit from property rental	92,116	19,953	112,069	73,193	19,471	92,664
Company's share in profits of companies accounted for by the equity method, net	6,039	(11,955)	(5,916)	49,582	(18,622)	30,960
Fair value increase of investment property, net	827,287	(1,735)	825,552	87,498	8,382	95,880
Management and general expenses	(12,689)	(84)	(12,773)	(11,131)	(273)	(11,404)
Other expenses, net	(174)	-	(174)	(29,484)	-	(29,484)
Financing expenses, net	(166)	(2,580)	(2,746)	(53,750)	(4,008)	(57,758)
Revaluation of investments measured at fair value through profit and loss (Big)	(17,518)	-	(17,518)	(30,539)	-	(30,539)
Profit before tax on income	**894,895**	**3,599**	**898,494**	**85,369**	**4,950**	**90,319**
Taxes on income	(204,248)	(3,599)	(207,847)	(4,919)	(4,950)	(9,869)
Net profit	**690,647**	**-**	**690,647**	**80,450**	**-**	**80,450**
Minority share in profit	(1,198)	-	(1,198)	(1,992)	-	(1,992)
Profit for the period owners' share	**689,449**	**-**	**689,449**	**78,458**	**-**	**78,458**

Changes in owners' profit compared to corresponding period last year

Changes in owners' profit compared to corresponding period last year	Consolidated	Expanded Consolidated
Attributed to 1-3/2025	**78,458**	**78,458**
Increase in gross profit from property rental	18,923	19,405
Increase in fair value increase of investment property	739,789	729,672
Increase in management and general expenses	(1,558)	(1,369)

Increase in gross profit from property rental – attributed to the increase in the company's income-producing asset base (occupancy of the Jumbo Beer Sheva store, purchase of the Iskoor complex in Kiryat Gat, operation of a data center in lot 62 stage A, occupancy of the Controp management center, as well as leasing land in M.A. Yoav) and an increase attributed to signing new contracts and exercising options in existing contracts with an increase in rent and the rise in the Consumer Price Index.

Increase in fair value increase of investment property – The revaluation is mainly attributed to the revaluation of three Data Centers (Beit Shemesh, M.A. Yoav, Modi'in).

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Changes in owners' profit compared to corresponding period last year	Consolidated	Expanded Consolidated
Decrease in other expenses, net	29,310	29,310
Decrease in financing expenses, net	53,584	55,012
Increase in revaluation of investments measured at fair value through profit and loss (Big)	13,021	13,021
Decrease in equity profits	(43,543)	(36,876)
Increase in tax expenses on income	(199,329)	(197,978)
Increase in minority share in profit	794	794
Attributed to 1-3/2026	**689,449**	**689,449**

Increase in management and general expenses – attributed to an increase in salary expenses (increase in manpower and increase in share-based payment due to the allocation of warrants to employees).

Decrease in other expenses, net – attributed to the loss from the impairment of DIC shares recorded in the corresponding quarter last year.

Decrease in financing expenses, net – attributed to an increase in real interest expenses in the amount of approximately NIS 1 million plus a decrease in the loss from marketable securities sales in the amount of approximately NIS 58 million compared to a loss of approximately NIS 67 million in the corresponding period last year and plus profit from the revaluation of other investments presented at fair value in the amount of approximately NIS 46 million this quarter.

Decrease in equity profits – attributed to equity losses of Big Mega Renewable Energy Ltd. and a decrease in equity profits of DIC.

Increase in taxes on income – mainly attributed to the update of deferred taxes due to the revaluation of investments measured at fair value through profit and loss.

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	For the period ended March 31, 2026			For the period ended December 31, 2025		
	Consolidated	Plus companies under joint control	Extended consolidated	Consolidated	Plus companies under joint control	Extended consolidated
Investment property, investment property under development and assets held for sale	**8,066,397**	**1,399,471**	**9,465,868**	**6,738,041**	**1,399,874**	**8,137,915**
Liabilities to banking corporations, others and current maturities	(1,286,666)	(190,224)	(1,476,890)	(1,250,832)	(192,058)	(1,442,890)
BONDS and current maturities	(3,870,544)	-	(3,870,544)	(4,133,783)	-	(4,133,783)
Neutralizing the balance of:						
Cash and cash equivalents	1,224,372	4,651	1,229,023	1,098,205	4,335	1,102,540
Short-term financial assets	297,841	-	297,841	343,340	-	343,340
Short-term loans and deposits	90,177	-	90,177	66,886	-	66,886
Long-term loans and deposits	2,678	-	2,678	2,661	-	2,661
Net financial debt	**(3,542,142)**	**(185,573)**	**(3,727,715)**	**(3,873,523)**	**(187,723)**	**(4,061,246)**
Investments in companies accounted for using the equity method and other investments	1,848,575	(1,061,006)	787,569	1,822,006	(1,061,151)	760,855
Intangible assets	4,906	-	4,906	4,906	-	4,906
Long-term financial assets	155,909	46,605	202,514	148,193	47,620	195,813
Other current assets (liabilities), net	(253,581)	4,345	(249,236)	(183,316)	5,569	(177,747)
Other non-current assets balance	9,813	173	9,986	8,785	165	8,950
Other non-current liabilities balance	(320,082)	(23,934)	(344,016)	(117,196)	(25,541)	(142,737)
Other assets balance, net	**1,445,540**	**(1,033,817)**	**411,723**	**1,683,378**	**(1,033,338)**	**650,040**
Tax reserve	(733,746)	(182,863)	(916,609)	(543,825)	(181,597)	(725,422)
Minority interests	(97,361)	2,784	(94,577)	(96,163)	2,784	(93,379)
Equity	(5,138,688)	-	(5,138,688)	(3,907,908)	-	(3,907,908)
NAV per management approach	**-**	**-**	**6,149,876**	**-**	**-**	**4,726,709**

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	For the period ended March 31, 2026			For the period ended December 31, 2025		
	Consolidated	Plus companies under joint control	Extended consolidated	Consolidated	Plus companies under joint control	Extended consolidated
Number of shares at end of period	-	-	38,137	-	-	36,658
NAV per management approach per share (in NIS)	**-**	**-**	**161**	**-**	**-**	**129**

Explanations for material changes in the consolidated balance sheet during the year:

Investment property, investment property under development and assets held for sale

Real estate value as of March 31, 2026, totaled NIS 8.1 billion, an increase of approximately NIS 1,328 million from its value as of December 31, 2025. The increase stems mainly from payments on account of land acquisitions totaling approximately NIS 181 million, progress in the rate of investments in projects under construction totaling approximately NIS 319 million, and an increase in value generated during the update of valuations by an external appraiser for the company's assets totaling approximately NIS 828 million.

Net financial debt

Net financial debt as of March 31, 2026, totaled approximately NIS 3.5 billion, a decrease of approximately NIS 331 million compared to the net financial debt as of December 31, 2025. The decrease in net financial debt is attributed to cash flow from operating activities, less a decrease in other net assets and liabilities balances totaling NIS 237 million and less land acquisition and investments in investment property under development totaling approximately NIS 500 million.

MEGA OR

NIS and dividend distribution totaling approximately NIS 73 million. During the period, gains were recorded due to indexation differences totaling approximately NIS 4 million due to a decrease in the Consumer Price Index of approximately 0.1%.

Deferred tax reserve

The deferred tax reserve balance as of March 31, 2026, totaled approximately NIS 734 million, an increase of approximately NIS 190 million compared to the tax reserve as of December 31, 2025. The increase in deferred taxes is mainly attributed to the increase in value of investment property and investment property under construction.

Explanations for material changes in the extended consolidated balance sheet during the year:

Investment property, investment property under development and assets held for sale

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Real estate value as of March 31, 2026, totaled approximately NIS 9.5 billion, an increase of approximately NIS 1,327 million from its value as of December 31, 2025. The increase stems mainly from payments on account of land acquisitions totaling approximately NIS 181 million, progress in the rate of investments in projects under construction totaling approximately NIS 320 million, and an increase in value created during the update of valuations by an external appraiser for the company's assets totaling approximately NIS 826 million.

Net financial debt

Net financial debt totaled approximately NIS 3.7 billion as of March 31, 2026, a decrease of approximately NIS 334 million compared to net financial debt as of December 31, 2025. The decrease in net financial debt is attributed to cash flow from operating activities, less a decrease in other net assets and liabilities balances totaling NIS 238 million and less land acquisition and investments in investment property under development totaling approximately NIS 502 million. During the period, gains were recorded due to indexation differences totaling approximately NIS 4 million due to a decrease in the Consumer Price Index of approximately 0.1%.

Deferred tax reserve

The deferred tax reserve balance as of March 31, 2026, totaled approximately NIS 917 million, an increase of approximately NIS 192 million compared to the tax reserve as of December 31, 2025. The increase in deferred taxes is mainly attributed to the increase in value of investment property and investment property under construction.

Liquidity and Financing Sources

Cash flow from operating activities

Cash flow from operating activities in the three months totaled approximately NIS 285 million compared to cash flow from operating activities totaling approximately NIS 39 million in the same period last year. An increase of approximately NIS 203 million is attributed to an increase in deposits from tenants, an increase of 21 million NIS is attributed to an increase in the company's NOI, and an increase of 21 million NIS is attributed to profit from realization of investments measured at fair value through profit or loss, less an increase in general and administrative expenses, an increase in interest expenses paid, and an increase in tax expenses.

Cash flow used for investing activities

Cash flow used for investing activities in the three months totaled approximately NIS 458 million compared to cash flow from investing activities totaling approximately NIS 79 million in the same period last year. Flow used for investing activities in the report period mainly includes investments in real estate assets, net, totaling approximately NIS 451 million, deposit of pledged cash totaling approximately NIS 23 million, purchase of marketable securities totaling approximately NIS 13 million, and less proceeds totaling approximately NIS 28 million from realization of investments measured at fair value through profit or loss.

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Cash flow from financing activities

Cash flow from financing activities in the three months totaled approximately NIS 299 million, compared to flow used for financing activities totaling approximately NIS 55 million in the same period last year. Material components of the flow resulting from financing activities in the report period mainly include share capital issuance totaling approximately NIS 612 million, receiving loans from banking corporations totaling approximately NIS 28 million, less repayment of BONDS totaling approximately NIS 264 million and less dividend distribution totaling approximately NIS 73 million.

Liquidity Risk

As of March 31, 2026, the company has a working capital deficit totaling approximately NIS 325 million (working capital deficit totaling approximately NIS 359 million according to the extended consolidated report) compared to a working capital deficit totaling approximately NIS 123 million (working capital deficit totaling approximately NIS 145 million according to the extended consolidated report) as of December 31, 2025. The decrease in working capital stems from land acquisition and investments in projects under construction, net, totaling approximately NIS 451 million.

As of the report date, the group has income-producing and under-development real estate assets, free of lien, with a total value of approximately NIS 6.3 billion (of which approximately NIS 3.9 billion are income-producing assets). The company estimates that it will be able to raise debt against a lien on these assets as needed.

In addition, the company holds marketable shares of Discount Investment Corp. Ltd. at a rate of approximately 29.9% with a value of approximately NIS 307 million (shares with a value of NIS 42 million were pledged in favor of the trustee for the BONDS holders (Series 10)) as of March 31, 2026. In the company's estimation, as needed, it will be possible to obtain financing against these shares as well.

As of March 31, 2026, liquid balances held by the group total approximately NIS 1,527 million (including holdings in BIG shares). As of the report date, the company has an unutilized credit facility totaling 175 million NIS from banking corporations.

In light of the above and after the company's board of directors examined, among other things, sources of repayment for existing and expected liabilities, with emphasis on the repayment of liabilities that the group is required to repay during the two years starting March 31, 2026, the credit sources and unutilized credit facilities available to the group, the cash flow from operating activities generated by the group, and in light of the rate of unpledged assets value, the company's board of directors believes that there is no liquidity problem in the company. Furthermore, in the assessment of the company's board of directors, there is no reasonable concern that the company will not meet its existing and expected liabilities when they fall due.

The above is based on the company's estimates only and constitutes forward-looking information, as defined in the Securities Law. The company's estimates, as mentioned above, are based on data currently in its possession, however, there is no certainty that these assumptions and estimates will materialize in full or in part, as they depend on external factors over which the company has no ability to influence or where influence over them is limited.

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Main Developments in Areas of Activity During Report Period and Thereafter

Capital Raising

On March 4, 2026, the company completed a private placement of 1,377,379 ordinary shares, registered in name and of NIS 0.01 par value each of the company, in return for a total sum of NIS 614,999,724. For further details, see the company's immediate report dated February 27, 2026 (reference 2026-01-018559).

Issuance of BONDS and commercial papers

After the report period, on April 28, 2026, the company completed a public offering of BONDS (Series 9) in the scope of 197,952 thousand NIS par value by way of series expansion. The (gross) consideration received by the company for the issuance of additional BONDS is approximately 223,884 thousand NIS.

Also, after the report period, on April 28, 2026, the company completed a public offering of BONDS (Series 11) in the scope of 751,457 thousand NIS par value by way of series expansion. The (gross) consideration received by the company for the issuance of additional BONDS is approximately 808,568 thousand NIS.

For further details regarding the expansions above, see the company's immediate report dated April 26, 2026 (reference 2026-01-038118) and the company's immediate report dated April 28, 2026 (reference 2026-01-038786).

Realization of income-producing assets

During the report period, the company did not realize material income-producing assets.

Acquisition of income-producing assets

During the report period, the company did not acquire material income-producing assets.

Material Investments

The company's holdings in Discount Investment Corp. Ltd. shares – during the report period, no changes occurred in the company's investments in DIC shares. For details regarding the company's investments in DIC shares, see the section "Additional enhancement potential in the company's investments" above and in Note 6 to the financial statements.

Land acquisition and winning tenders

During the report period, the company did not win material tenders and did not purchase material lands. For details regarding land purchased by Mega D.C. after the report period, see the section on material events occurring after the reporting period below.

Dividend

On February 26, 2026, the company's board of directors decided on a dividend distribution in the amount of NIS 73 million (dividend per share of NIS 1.90668) which was paid on March 18, 2026.

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After the report period, on May 19, 2026, the company's board of directors decided on a dividend distribution in the amount of NIS 40 million (dividend per share of NIS 1.04872) which will be paid on June 10, 2026.

Material events that occurred after the reporting period

For details regarding Mega D.C.'s engagement in an agreement to purchase a land parcel of approximately 180 dunams in Hadera, see Section 1.1 of Chapter B below – update of the corporation's business description for the Periodic report for 2025.

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Corporate Governance and Market Risks Market Risks and their Management

During the reported period, no material change occurred in the market risks reported within the Periodic report (included in this report by way of reference), except as stated in the linkage basis reports below:

	As of March 31, 2026				
	Foreign currency or foreign currency-linked	Unlinked ILS	CPI-linked	Non-financial assets/liabilities	Total
Reported NIS thousands					
Assets					
Current assets					
Cash and cash equivalents		1,224,372			1,224,372
Investments in marketable securities	58	41,340	2,810	(12,117)	32,091
Pledged cash		90,177			90,177
Tenants		9,729	6,486		16,215
Debtors and debit balances		47,095	44,332	9,898	101,325
Assets held for sale				271,250	271,250
Non-current assets					
Investments in companies accounted for using the equity method		225,129		1,566,560	1,791,689
Investments measured at fair value through profit and loss				56,886	56,886
Long-term debtors and debit balances		5,356	34,733	84,268	124,357
Investment property				5,163,794	5,163,794
Investment property under development				2,897,103	2,897,103
Fixed assets				6,592	6,592
Goodwill				4,906	4,906
Total assets	**58**	**1,643,198**	**88,361**	**10,049,140**	**11,780,757**
Liabilities					
Current liabilities					
Credit from banking and other corporations		748,346	-		748,346
Current maturities of BONDS			967,937		967,937
Liabilities to suppliers and service providers		147,842			147,842
Creditors and credit balances		99,901	92,746	853	193,500

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	As of March 31, 2026				
	Foreign currency or foreign currency-linked	Unlinked ILS	CPI-linked	Non-financial assets/liabilities	Total
	Reported NIS thousands				
Advance regarding sale of assets held for sale		3,138			3,138
Non-current liabilities					
Loans from banking corporations		405,829	121,680		527,509
BONDS			2,902,607		2,902,607
Deposits			226,482		226,482
Derivatives		430			430
Lease liability			91,183		91,183
Liability for employee benefits				1,988	1,988
Deferred taxes				733,746	733,746
Total liabilities	**-**	**1,405,486**	**4,402,635**	**736,587**	**6,544,708**
Total net balance sheet balance	**58**	**237,712**	**(4,314,274)**	**9,312,553**	**5,236,049**

Investment property is classified as a non-monetary item, but primarily it is an asset whose value is derived from linked lease agreements with tenants and therefore in its economic essence it is a linked asset. Inclusion of investment property as a linked asset would have shifted the company to a positive balance in linked assets of approximately 850 million NIS, which, in the opinion of the Company's Board of Directors, more accurately reflects the company's economic exposure.

As of March 31, 2025	Total	Non-financial assets/ liabilities	CPI-linked	Unlinked ILS	Foreign currency or foreign currency-linked
	Reported NIS thousands				
Assets					
Current assets					
Cash and cash equivalents	**534,125**			534,125	
Investments in marketable securities	**127,540**	82,226	2,897	31,589	10,828
Short-term deposits	**70,135**			70,135	
Pledged cash	**69,114**			69,114	
Tenants	**9,002**		3,601	5,401	
Debtors and debit balances	**61,356**	3,752	17,953	39,651	
Assets held for sale	**604,733**	604,733			
Non-current assets					
Investments in companies accounted for using the equity method	**1,639,852**	1,468,723		171,129	
Investments measured at fair value through profit and loss	**37,773**	37,773			
Long-term debtors and debit balances	**117,474**	80,489	32,500	4,485	
Prepaid expenses	**3,454**	3,454			
Long-term deposits	**2,697**	2,697			
Investment property	**4,406,139**	4,406,139			

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As of March 31, 2025	Total	Non-financial assets/ liabilities	CPI-linked	Unlinked ILS	Foreign currency or foreign currency-linked
	Reported NIS thousands				
Investment property under development	**1,175,902**	1,175,902			
Fixed assets	**5,448**	5,448			
Goodwill	**4,906**	4,906			
Total assets	**8,869,650**	**7,876,242**	**56,951**	**925,629**	**10,828**
Liabilities					
Current liabilities					
Credit from banking and other corporations	**459,279**		194,492	264,787	
Current maturities of BONDS	**717,686**		717,686		
Liabilities to suppliers and service providers	**15,267**			15,267	
Advance regarding sale of assets held for sale	**3,138**			3,138	
Creditors and credit balances	**84,966**	3,783	21,289	59,894	
Non-current liabilities					
Loans from banking corporations	**414,198**		122,999	291,199	
BONDS	**3,330,639**		3,330,639		
Deposits	**4,353**		4,353		
Derivatives	**430**			430	
Lease liability	**69,815**		69,815		
Liability for employee benefits	**1,658**	1,658			
Deferred taxes	**436,973**	436,973			
Total liabilities	**5,538,402**	**442,414**	**4,461,273**	**634,715**	**-**
Total net balance sheet balance	**3,331,248**	**7,433,828**	**(4,404,322)**	**290,914**	**10,828**

Investment property is classified as a non-monetary item, but primarily it is an asset whose value is derived from linked lease agreements with tenants and therefore in its economic essence it is a linked asset. Including investment property as a linked asset would shift the company to a positive balance in linked assets of approximately 1 million NIS, which, in the opinion of the Board of Directors, more accurately expresses the economic exposure of the company.



Corporate Governance and Market Risks

Corporate Governance

During the reported period, no material changes occurred in aspects of the company's corporate governance as detailed in the Periodic report for the year 2025.

The Board of Directors and Company Management

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During the reported period, 3 meetings of the company's Board of Directors were held.

General meetings of the company's shareholders

On January 5, 2026, the special general meeting of the company's shareholders approved the company's compensation policy, in accordance with Section 267A of the Companies Law, including its update, for a period of 3 years starting from the date of approval of the policy by the meeting. For further details, see the company's immediate reports from November 26, 2025 (Ref. 2025-01-092911), from December 17, 2025 (Ref: 2025-01-100806) and from January 6, 2026 (Ref: 2026-01-002125), which are hereby included by way of reference.

Additionally, after the report period, on May 4, 2026, the special general meeting of the company's shareholders approved the following resolutions:

A. Appointment of Ms. Osnat Hillel Fein as an external director in the company for a three-year term starting from the date of approval of the appointment by the meeting.

B. Approval of the grant of an indemnification commitment letter to Ms. Osnat Hillel Fein in accordance with the terms and versions accepted in the company and as they may be from time to time.

C. Approval of the grant of a letter of exemption from liability to Ms. Osnat Hillel Fein, in accordance with the terms accepted in the company and as they may be from time to time.

D. Approval to include Ms. Osnat Hillel Fein in the directors' and officer/officers' liability insurance policy of the company, in accordance with the terms accepted in the company and as they may be from time to time.

For further details, see the company's immediate reports from March 25, 2026 (Ref: 2026-01-027250) and May 5, 2026 (Ref: 2026-01-041317).

Donations

For details regarding the company's donation policy, see section 2.6 of the Board of Directors report attached to the Periodic report. During the reported period, the company provided donations in the amount of 237 thousand NIS compared to a total of 472 thousand NIS in the same period last year. The company has not committed to material obligations for providing donations in future periods.

Financial Reporting

Critical Accounting Estimates:

Accepted accounting principles require management to use estimates or assessments regarding transactions or matters whose final effects on the financial statements cannot be precisely determined at the time of preparing the financial statements. Although estimates or assessments are made to the best of judgment, the final effects of the said transactions or matters may be different from the estimates or assessments made regarding them.

Presented below are estimates and assumptions that, in the opinion of the company's management, have a material impact on the financial results and the company's business:

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Provision for impairment

In accordance with the provisions of International Accounting Standard 36, the company examines on each balance sheet date whether events have occurred or changes in circumstances have taken place indicating that an impairment has occurred in one or more of the non-financial assets to which this standard applies. In the presence of signs of impairment, the company examines whether the amount at which the investment in the asset is presented is recoverable from the expected cash flows from that asset, and if necessary, records a provision for impairment, up to the amount that is recoverable. In determining cash flow estimates, the company relies on the company's past experience from leasing this asset or similar assets, taking into account the state of the market in which the asset is located.

The group is exposed to the payment of permit fees for exceptional use in some of its properties. In determining the amount of permit fees as stated above, the company relies on its managers' past experience and on appraisals. The financial statements include a provision for permit fees for exceptional use within the miscellaneous creditors section.

Changes in fair value of income-producing real estate

The group determines the fair value of income-producing real estate in accordance with the provisions of International Standards No. 40 and IFRS 13. In determining fair value in the annual financial statements, the company's management relies on valuations by independent external appraisers. In the quarterly financial statements, in the absence of material changes in the value of assets, the company's management performs internal updates to the value of the assets, which reflect changes in the Consumer Price Index as well as changes in the occupancy of vacant areas in the properties. In determining fair value, factors taken into account include, among others, capitalization rates used to discount future cash flows, tenant stability, the extent of vacant areas in the property (Vacancy), the length of lease agreements and the period required to lease buildings after they are vacated, the period and extent of vacant areas of the properties, the adjustment of rent in properties where the rent level is above market rates (Over-rented) or below market prices (Under-rented), implications arising from investments required for development and/or

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Maintaining the existing and predicting uncovered operating costs in cases where assets are managed by deficit management companies. Changes in assumptions used by the aforementioned external experts, combined with changes in the Company's management's estimates based on its cumulative experience, could lead to changes in the fair value amount which are recognized in the profit and loss statement, thereby affecting the Company's financial position and its results of operations. In accordance with International Financial Reporting Standard 13 (IFRS) and pursuant to Accounting Enforcement Decision 18-1 of the Israel Securities Authority dated January 30, 2018, the Company recognizes transaction costs incurred during the acquisition of new assets in the profit and loss statement.

There have been no material changes regarding critical accounting estimates since the end of 2025 and during the report period.

Disclosure regarding material valuations

The Company updated the valuations of some of its assets in Israel as of December 31, 2025, and the valuations of some of its assets as of March 31, 2026. For details regarding material valuations as of March 31, 2026, see Section 4 of Chapter B of this report.

Events after the report date

See Note 4 to the financial statements.

Amit Berger, Chairman of the Board

Tsahi Nahmias, Co-CEO

May 19, 2026

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Appendices to Chapter A

Appendix A - Auxiliary tables and calculations

Appendix B - Dedicated disclosure for the corporation's BOND holders

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Appendix A
Auxiliary tables and calculations

Extended Consolidated Financial Statements

The Group's extended consolidated financial statements are the Group's reports presented according to IFRS rules, except for the application of IFRS 11 "Joint Arrangements" which has always been applied. That is, investments in associates presented according to the equity method due to the existence of a contractual arrangement for joint control, are neutralized and restored by proportionate consolidation of the Company's share in said companies. Consolidated companies in which there are non-controlling interests were consolidated according to the Company's proportionate share in them and were not fully consolidated.

Extended Consolidated Statement of Financial Position

	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Current Assets			
Cash and cash equivalents	1,229,023	540,090	1,102,540
Financial assets held for trading measured at fair value through profit and loss	32,091	127,540	58,328
Pledged cash and cash in trust	90,177	69,114	66,886
Short-term deposits	-	70,135	-
Tenants	19,143	13,701	16,526
Debtors and debit balances	71,182	40,529	49,326
Assets held for sale and land inventory	271,250	604,733	290,512
	1,712,866	**1,465,842**	**1,584,118**
Non-current Assets			
Investment in company accounted for using the equity method	730,433	614,235	722,178
Other investments	57,136	38,023	38,677
Long-term debtors and debit balances	129,511	133,167	132,641
Long-term deposits in banking corporations	2,678	-	2,661
Prepaid expenses	3,373	-	2,252
Loans to companies consolidated on a proportionate basis	73,003	60,031	63,172
Investment property	6,547,347	5,754,176	6,556,093
Investment property under development	2,913,020	1,191,677	1,576,322
Fixed assets	6,613	5,457	6,699
Goodwill	4,906	4,906	4,906
	10,468,020	**7,801,672**	**9,105,601**
	12,180,886	**9,267,514**	**10,689,719**

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	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Current Liabilities			
Credit and current maturities of loans from banking and other corporations	753,671	468,450	754,413
Loans from shareholders in consolidated companies	10,812	12,412	-
Current maturities of BONDS	967,937	717,686	730,930
Liabilities to suppliers and service providers	150,875	19,024	58,825
Payables and credit balances	188,683	78,418	184,775
	2,071,978	**1,295,990**	**1,728,943**
Non-current Liabilities			
Loans from banking corporations	712,408	602,676	688,476
BONDS	2,902,607	3,330,639	3,402,853
Deposits	227,843	5,629	25,269
Lease liability	113,758	92,957	115,177
Liabilities for employee benefits	1,988	1,658	1,862
Derivatives	430	430	430
Deferred taxes	916,609	609,071	725,422
	4,875,643	**4,643,060**	**4,959,489**
Equity attributable to the Company's shareholders			
Share capital	381	366	366
Share premium	1,349,809	737,474	737,474
Fund regarding transaction with controlling shareholder	68	68	68
Share-based payment cost fund	32,706	26,740	30,557
Revaluation fund	598	-	598
Fund regarding adjustments from translation of financial statements	6,360	28,319	6,814
Fund regarding transaction with non-controlling interests	48,172	43,986	48,172
Retained earnings	3,700,594	2,377,982	3,083,859
	5,138,688	**3,214,935**	**3,907,908**
Non-controlling interests	94,577	113,529	93,379
Total equity	**5,233,265**	**3,328,464**	**4,001,287**
	12,180,886	**9,267,514**	**10,689,719**

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Consolidated Statement of Profit or Loss

	For the period ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Income from rental and management of investment property	118,483	96,561	417,300
Income from providing loans for real estate financing	480	652	4,751
Cost of operating and managing investment property	(6,894)	(4,549)	(22,635)
Gross profit	**112,069**	**92,664**	**399,416**
Company's share in profits of company accounted for using the equity method	(5,916)	30,960	11,182
Appreciation in value of investment property and investment property under construction and other depreciations, net	825,552	95,880	430,376
General and administrative expenses	(12,773)	(11,404)	(48,031)
Other income (expenses), net	(174)	(29,484)	39,157
Operating profit	**918,758**	**178,616**	**832,100**
Finance income	65,016	11,126	222,509
Finance expenses	(67,762)	(68,884)	(210,323)
Revaluation of investments measured at fair value through profit or loss (Big Shopping Centers Ltd.)	(17,518)	(30,539)	210,589
Profit before taxes on income	**898,494**	**90,319**	**1,054,875**
Taxes on income	(207,847)	(9,869)	(205,874)
Net profit	**690,647**	**80,450**	**849,001**
Total comprehensive income	**690,647**	**80,450**	**849,001**
Attributable to:			
Shareholders of the company	689,449	78,458	844,335
Non-controlling interests	1,198	1,992	4,666
	690,647	**80,450**	**849,001**

Composition of minority influence on financial statement items

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	As of March 31		As of December 31
	2026	2025	2025
NIS thousands			
In the statement of financial position			
Cash and cash equivalents	436	242	145
Investment property and development	348,901	324,879	349,416
Other assets	7,549	7,081	7,187
Loans from banking corporations	(39,342)	(41,016)	(40,010)
Tax reserves	(37,168)	(31,957)	(36,859)
Other liabilities	(185,799)	(145,700)	(186,500)
Total non-controlling interests	**94,577**	**113,529**	**93,379**

	For the period ended March 31		For the year ended December 31
	Unaudited		Audited
	2026	2025	2025
NIS thousands			
In the profit and loss statement			
Gross profit	1,911	4,189	7,460
Increase in fair value of investment property and investment property under development, net	8	(155)	244
General and administrative expenses	(248)	(298)	(1,022)
Other income (expenses)	(19)	(22)	(37)
Finance expenses	(76)	(1,267)	(509)
Taxes on income	(378)	(455)	(1,470)
Total non-controlling interests in comprehensive income	**1,198**	**1,992**	**4,666**

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Funds From Operations (FFO) Index in accordance with the Authority's directive

For the purpose of providing additional information on the results of operations, the Funds From Operations (FFO) index is presented below. This index is commonly used worldwide and provides a proper basis for comparison between income-generating real estate companies. The index was published by NAREIT (the organization of REIT companies in the USA) and by its definition, expresses reported net profit, neutralizing income and expenses from the increase/decrease in value of real estate and one-time income/expenses, and adding depreciation. The company's management believes that in addition to the above, the deferred tax expenses for previous years and the financing expenses/income for the increase/decrease in value of liabilities and financial assets should also be neutralized from the FFO calculation.

It should be emphasized that the FFO index does not present cash flows from current operations, does not reflect cash held by the company, and does not replace the reported net profit according to accepted accounting principles.

	Quarter 1 2026	Quarter 1 2025	Year 2025
Net profit for the year attributable to the equity holders of the corporation	689,449	78,458	844,335
Adjustments:			
Changes in the value of investment property assets, investment property under construction and lands	(825,544)	(96,035)	(430,132)
One-time or exceptional expenses	155	273	22,026
Loss (profit) from impairment according to IAS 36 (including impairment of investment measured using the equity method) or profit from purchase at an opportunistic price	-	29,189	(61,060)
Loss/(profit) from changes in fair value or from the sale of financial assets	25,921	64,854	(379,449)
Effect of current and deferred tax due to the above adjustments	185,203	6,569	192,591
Company's share in losses (profits) of companies accounted for using the equity method	5,916	(30,960)	(11,182)
FFO according to the Authority's approach	**81,100**	**52,348**	**177,129**
Additional – share-based payment	2,148	1,642	5,460
Additional – donations	237	472	5,499
Additional – expenses (income) of linkage differences on the debt principal	(4,337)	12,365	103,618
FFO according to management's approach	**79,148**	**66,827**	**291,706**
Weighted number of shares	366,466	366,122	366,357
Real FFO per share (agorot)	216	183	796

Appendix B

Details regarding the debt certificates issued by the company and offered according to a prospectus

Dedicated disclosure for BONDS holders

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As of the date of the report, the company has 7 series of non-convertible BONDS (Series 6, Series 7, Series 8, Series 9, Series 10, Series 11, and Series 12):

All BONDS series issued by the company are material series, as defined in Regulation 10(b)(13) of the Securities Regulations (Periodic and Immediate Reports), 1970, except for BONDS (Series 10) and BONDS (Series 6).

As of the date of the report and during the report period, the company meets and has met, to the best of its knowledge, all conditions and obligations according to the trust deeds of the BONDS it issued and also, to the best of its knowledge, no conditions have occurred that establish grounds for immediate repayment of said BONDS and/or for the realization of collaterals (as far as provided).

Below is a separate detail regarding each of the BONDS series in circulation:

NIS thousands	Series 6	Series 7	Series 8	Series 9	Series 10	Series 11	Series 12	Total
Issue date	10.7.2016	21.8.2017	13.6.2018	23.2.2020	12.7.2021	12.7.2021	12.09.2024	
Trustee details	Mishmeret Trust Services Company Ltd. (1)	Reznik Paz Nevo Trusts Ltd. (2)	Reznik Paz Nevo Trusts Ltd. (2)	Reznik Paz Nevo Trusts Ltd. (2)	Reznik Paz Nevo Trusts Ltd. (2)	Reznik Paz Nevo Trusts Ltd. (2)	Reznik Paz Nevo Trusts Ltd. (2)	
Par value at the issue date	616,661	1,129,878	1,008,600	1,395,149	194,736	687,707	457,102	5,489,833
Book balance	147,952	601,580	478,861	1,422,824	116,333	635,743	476,290	3,879,584
Balance of par value without linkage as of 31.03.2026	123,332	503,531	403,440	1,249,676	100,860	565,364	457,102	3,403,305
Balance of par value including linkage as of 31.03.2026	147,224	601,068	477,763	1,469,621	117,206	656,991	471,345	3,941,217
Accrued interest amount	744	1,047	-	1,048	-	-	6,201	9,040
Stock market value as of 31.03.2026	148,677	604,036	474,728	1,398,637	106,044	599,681	487,682	3,819,486
Fixed interest rate	2.05%	2.05%	1.40%	0.84%	0.50%	0.97%	3.18%	
Linkage basis	Consumer Price Index	Consumer Price Index	Consumer Price Index	Consumer Price Index	Consumer Price Index	Consumer Price Index	Consumer Price Index	

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	Series F	Series G	Series H	Series I	Series J	Series XI	Series XII	Total
	NIS thousands							
Principal payment date	Payments at a rate of 8% of the principal were repaid on June 30 between the years 2019 to 2023 and payments at a rate of 20% of the principal will be repaid on June 30 between the years 2024 to 2026.	Payments at a rate of 10% of the principal will be repaid on August 30 between the years 2021 to 2024 and payments at a rate of 20% of the principal will be repaid on August 30 between the years 2025 to 2027.	Payments at a rate of 20% of the principal will be repaid on March 30 between the years 2024 – 2026 and a payment at a rate of 40% of the principal will be repaid on March 30, 2027.	Payments at a rate of 6% of the principal will be repaid on February 28 between the years 2021 to 2023 and payments at a rate of approximately 27.33% of the principal will be repaid on February 28 between the years 2028 to 2030.	20 payments at a rate of 2.5% of the principal will be repaid on March 31 and on September 30 between the years 2022 – 2031. On March 31, 2032, 50% of the principal will be repaid.	20 payments at a rate of 2.5% of the principal will be repaid on March 31 and on September 30 between the years 2022 – 2031. On March 31, 2032, 50% of the principal will be repaid.	3 payments at a rate of 15% of the principal will be repaid on April 30 between the years 2028-2030. 2 principal payments at a rate of 27.5% will be repaid on April 30 of the years 2031 and 2033.	
Interest payment date	Semi-annual payments, on December 31 and on June 30, during the period between December 31, 2016 – June 30, 2026.	Semi-annual payments, on February 28 and on August 30 during the period between February 28, 2018 – August 30, 2027	Semi-annual payments, on March 31 and on September 30, during the period between September 30, 2018 – March 31, 2027.	Semi-annual payments, will be paid on August 31 of each of the years 2021 to 2029 (inclusive) and on February 28 of each of the years 2021 to 2030.	Semi-annual payments, will be paid on September 30 of each of the years 2021 to 2031 (inclusive) and on March 31 of each of the years 2022 to 2032.	Semi-annual payments, will be paid on September 30 of each of the years 2021 to 2031 (inclusive) and on March 31 of each of the years 2022 to 2032.	Semi-annual payments. Will be paid on April 30 of each of the years 2025-2033 and on October 31 of each of the years 2025 to 2032.	
(3) Last rating report	16.04.2026	16.04.2026	16.04.2026	16.04.2026	16.04.2026	16.04.2026	16.04.2026	
(4) Rating at issuance date	-ilA	-ilA	-ilAA	ilA	+ilA	+ilA	-ilAA	
(4) Rating as of the report date	+ilA	+ilA	-ilAA	+ilA	+ilA	+ilA	-ilAA	
The company's obligation to repay the BONDS is secured by liens	No	No	Yes (5)	No	Yes (6)	No	Yes (7)	

(1) Migdal Amot Insurance at 46-48 Menachem Begin Road, Tel Aviv. Phone 03-6374344, Fax 03-6374343. Responsible email – Rami Septi: Ramis@mtrust.co.il

(2) 14 Yad Harutzim St., Tel Aviv. Phone: 03-6389200, Fax: 03-6393316. Responsible email – Accountant Yossi Reznik: Yossi@rpn.co.il

(3) See immediate report dated April 16, 2016 (Reference: 2016-15-035540).

(4) MAALOT S&P. After the report date, on April 16, 2026, Maalot raised the company's BONDS rating to ilAA.

(5) In favor of the trustee for the holders of BONDS (Series 8) the following liens were created and registered:

a. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of BIG Mega Or Upper Galilee, as well as a lien on 50% undivided of the rights of BIG Mega Or Ltd. to receive fruits from the aforementioned property and a lien on 50% of the rights of BIG Mega Or Ltd. to receive insurance in connection with the aforementioned property.

b. First-degree mortgage, unlimited in amount, on the company's rights in the Zisco management center, Modi'in, as well as a lien on the company's rights to receive fruits from the aforementioned property and a lien on the company's rights to receive insurance in connection with the aforementioned property.

c. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of BIG Mega Or Afula Ltd. in the BIG Afula commercial center, as well as a lien on 50% undivided of the right of BIG Mega Or Afula Ltd. to receive fruits from the aforementioned property and a lien on 50% of the right of BIG Mega Or Afula Ltd. to receive insurance in connection with the aforementioned property.

d. First-degree mortgage, unlimited in amount, on the company's rights in the management center of lot 61, Modi'in, as well as a lien on the company's right to receive fruits from the aforementioned property and a lien on the company's right to receive insurance in connection with the aforementioned property.

e. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of BIG Mega Or Kiryat Gat Ltd. in the BIG Mega Or Kiryat Gat commercial center, as well as a lien on 50% undivided of the right of BIG Mega Or Kiryat Gat Ltd. to receive fruits from the aforementioned property and a lien on 50% undivided of the right of BIG Mega Or Kiryat Gat Ltd. to receive insurance benefits in connection with the aforementioned property.

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f. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of BIG Mega Or Tiberias, as well as a lien on 50% undivided of the right of BIG Mega Or Ltd. to receive fruits from the aforementioned property and a lien on 50% undivided of the right of BIG Mega Or Ltd. to receive insurance benefits in connection with the aforementioned property.

g. First-degree mortgage, unlimited in amount, on all the company's rights in the Mega Or 1 Modi'in center (50% undivided) as well as a floating lien, first in rank, unlimited in amount on the company's right to receive fruits from the property (50% undivided) and a fixed lien, first in rank unlimited in amount on the company's right to receive insurance benefits for the property (50% undivided).

h. First-degree mortgage, unlimited in amount, on all the company's rights in the lot 12A management center and a fixed first-degree lien, unlimited in amount, on the company's right to receive insurance benefits in connection with the aforementioned property and a fixed first-degree lien without limitation on the amount on the company's right to receive fruits from the aforementioned property.

i. Lien on all rights and funds in the trust accounts managed in the name of the trustee for the BONDS holders.

(1) The collateral given to secure the BONDS, as detailed above, is valid according to all laws and according to the company's incorporation documents.

(2) For further details regarding the liens/collateral to secure the BONDS see section 22 in part A of the Periodic report (within the framework of disclosure about very material investment real estate assets) and the value assessments attached to the Periodic report.

(3) After the report period and after a principal payment was made in accordance with the BONDS' repayment schedule, and in accordance with the provisions of the BONDS' trust deed, the following properties were released from the liens according to the trust deed provisions: (1) Nisco management center in Modi'in (2) Lot 61 management center in Modi'in, after the company's board of directors determined that the risk level of the collateral remaining in the holders' hands after the release of the aforementioned properties from the lien is not significantly higher than that of the previous collateral. For the company's notice regarding its intention to perform a release of collateral pledged to the BONDS holders (Series 8) see the company's immediate report dated February 26, 2026 (reference 2026-01-018394), which is included herein by way of reference.

(6) **In favor of the trustee for the BONDS holders (Series 10) the following liens were created and registered:**

a. Fixed lien, single, first in rank and unlimited in amount on 233,521 shares of BIG Shopping Centers Ltd., and on the ancillary rights attached to them (as defined in the trust deed).

b. Fixed lien, single, first in rank and unlimited in amount on 5,826,256 shares of Discount Investment Corporation Ltd. and on the ancillary rights attached to them (as defined in the trust deed).

c. Fixed lien, single, first in rank and unlimited in amount on the full company's rights in the trust account managed in the name of the trustee and on everything deposited in it.

(1) The collateral given to secure the BONDS, as detailed above, is valid according to all laws and according to the company's incorporation documents.

(2)

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After the report period and after a principal payment was made in accordance with the BONDS' repayment schedule and in accordance with the trust deed provisions, the company approached the trustee with a request to release part of the pledged shares from the lien. For the company's notice regarding its intention to perform a release of collateral pledged to the BONDS holders (Series 10) see the company's immediate report dated April 26, 2026 (reference 2026-01-038019, which is included herein by way of reference ("the report")). The release of shares from the lien as stated will apply after 21 days from the date of the report, whereas on the date of the share release, the company will update in an immediate report the quantity of shares released.

(2) For details about BIG Shopping Centers Ltd. and its financial statements for December 31, 2025 see the immediate report of BIG Shopping Centers Ltd. dated March 17, 2026 (reference 2026-01-023304) (this information constitutes inclusion by way of reference). For details about Discount Investment Corporation Ltd. and its financial statements for December 31, 2025 and March 31, 2026, see immediate reports of Discount Investment Corporation Ltd. dated February 19, 2026 and May 14, 2026 (references: 2026-01-016371, 2026-01-044889, respectively) (this information constitutes inclusion by way of reference).

(7) In favor of the trustee for the BONDS holders (Series XII) the following liens were created and registered:

a. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of BIG Mega Or Ltd. in the BIG Pardes Hanna commercial center and a floating lien on 50% undivided of the right of BIG Mega Or Ltd. to receive income from the BIG Pardes Hanna commercial center and a lien on 50% of the right of BIG Mega Or Ltd. to receive insurance benefits in connection with the aforementioned property.

b. First-degree mortgage, unlimited in amount, on the full company's rights in the lot 363 management center and a first-degree floating lien unlimited in amount on the full company's rights in income from the lot 363 management center and on the full company's rights by virtue of the lot 363 management center lease agreement and the option agreement and a lien on the company's right to receive insurance benefits in connection with the aforementioned property.

c. Fixed lien and assignment by way of a fixed first-degree lien unlimited in amount on the full company's rights in the cash flows from the Or IKEA Ashdod asset.

d. Fixed lien and assignment by way of a fixed first-degree lien unlimited in amount on the full company's rights to receive the Ariel payment flows.

e. First-degree mortgage, unlimited in amount, on 50% undivided of all rights of Mega Or Modi'in Ltd. in the Modi'in 2 commercial center and a floating lien on 50% undivided of the right of Mega Or Modi'in Ltd. to receive income from the Modi'in 2 commercial center and a lien on 50% of the right of Mega Or Modi'in Ltd. to receive insurance benefits in connection with the aforementioned property.

f. Fixed first-degree lien unlimited in amount on the full rights of Mega Or Lehavim Ltd. in the Lehavim industrial center and a first-degree floating lien unlimited in amount on the full rights of Mega Or Lehavim in the income of the Lehavim industrial center and a lien on the right of Mega Or Lehavim to receive insurance benefits in connection with the aforementioned property.

(1) The collateral given to secure the BONDS, as detailed above, is valid according to all laws and according to the company's incorporation documents.

(2) For further details regarding the liens/collateral to secure the BONDS see section 22 in part A of the Periodic report (within the framework of disclosure about very material investment real estate assets) and the value assessments attached to the Periodic report.

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Bond Series	Financial Covenant	Ratio as of the report date	Compliance status as of the report date
Series F	The Company's equity (Company equity including minority interests), according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 300 million NIS (regarding immediate repayment) and shall not be less than 350 million NIS (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,236 million NIS	In compliance
	The ratio between its adjusted equity (equity according to GAAP, including capital notes and owners' loans, excluding minority interests) of the Company to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 20% (regarding immediate repayment) and shall not be less than 25% (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	43.6%	In compliance

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Bond Series	Financial Covenant	Ratio as of the report date	Compliance status as of the report date
Series G	The Company's equity (Company equity excluding minority interests), according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 400 million NIS (regarding immediate repayment) and shall not be less than 450 million NIS (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between its adjusted equity (equity according to GAAP, including capital notes, including owners' loans and including minority interests) of the Company to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 20% (regarding immediate repayment) and shall not be less than 25% (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	44.4%	In compliance
	When the Company's rating is up to A (inclusive), the debt-to-collateral ratio will stand at 60% (regarding cause for immediate repayment of the BONDS – when the Company's rating is A and the BONDS Series 8 rating is AA-, the debt-to-collateral ratio shall not exceed 70% in two consecutive financial reports (audited and/or reviewed) and as long as the ratio is higher than the stated rate). When the Company's rating is +A and the BONDS Series 8 rating is AA-, the debt-to-collateral ratio shall not exceed 80% in two consecutive financial reports (audited and/or reviewed) and as long as the ratio is higher than the stated rate.	49.2%	In compliance
Series H	The Company's equity (Company equity excluding minority interests), according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 400 million NIS (regarding immediate repayment) and shall not be less than 450 million NIS (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between its adjusted equity (equity according to GAAP, including capital notes deferred in liquidation before all Company liabilities, including owners' loans and including minority interests) of the Company to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 20% (regarding immediate repayment) and shall not be less than 23% (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	44.4%	In compliance

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Bond Series	Financial Covenant	Ratio as of the report date	Compliance status as of the report date
Series I	The Company's equity (Company equity excluding minority interests), according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 800 million NIS (regarding immediate repayment) and shall not be less than 750 million NIS (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between its adjusted equity (equity according to GAAP, including capital notes deferred both in terms of repayment date and in liquidation, including owners' loans and including minority interests) of the Company to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 23% (regarding immediate repayment) and shall not be less than 20% (regarding interest compensation). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	44.4%	In compliance

Bond Series	Financial Covenant	Ratio as of the report date	Compliance status as of the report date
Series J	The equity of the Company (Company equity excluding minority interests, according to the Company's consolidated annual financial statements or according to the Company's quarterly financial results), shall not be less than 1 billion NIS (regarding interest compensation) and shall not be less than 950 million NIS (regarding immediate repayment). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between the Company's adjusted equity (equity according to GAAP, including deferred capital notes, including owners' loans and including minority interests) to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 24% (regarding interest compensation) and shall not be less than 21% (regarding immediate repayment). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	44.4%	In compliance

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Bond Series	Financial Covenant	Ratio as of the report date	Compliance status as of the report date
Series XI	The equity of the Company (Company equity excluding minority interests, according to the Company's consolidated annual financial statements or according to the Company's quarterly financial results), shall not be less than 1 billion NIS (regarding interest compensation) and shall not be less than 950 million NIS (regarding immediate repayment). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between the Company's adjusted equity (equity according to GAAP, including deferred capital notes, including owners' loans and including minority interests) to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 24% (regarding interest compensation) and shall not be less than 21% (regarding immediate repayment). It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for 2 consecutive reports.	44.4%	In compliance
Series XII	The amount equal to the outstanding balance of the BONDS (Series XII) plus interest and linkage differences accumulated until the inspection date, shall not exceed the total collateral (meaning: the collateral value of the pledged assets when multiplied by a rate of 80%) as of the inspection date. It should be noted that a cause for immediate repayment will arise only after the company deviates from the aforementioned ratio and does not provide additional collateral in accordance with the provisions of the trust deed.	79.7%	In compliance
	The equity of the Company (Company equity excluding minority interests, according to the Company's consolidated annual financial statements or according to the Company's quarterly financial results, as the case may be) shall not be less than 1,300,000 thousand NIS. It should be noted that a cause for immediate repayment will arise after the company deviates from the covenant for two consecutive reports.	Equity in the amount of approximately 5,139 million NIS	In compliance
	The ratio between the Company's adjusted equity (equity according to GAAP, including deferred capital notes, including owners' loans and including minority interests) to the Company's total balance sheet, according to the consolidated financial statements, quarterly or annual, reviewed or audited, as the case may be, shall not be less than 22%. It should be noted that a cause for immediate repayment will arise only after the company deviates from the covenant for two consecutive quarters.	44.4%	In compliance

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Chapter B

Update to the Corporate Business Description

for the Periodic report for 2025



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Update to the Corporate Business Description Chapter for the Periodic report for 2025

In accordance with Regulation 39a of the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970, below are details of the material changes or innovations that occurred in the company's business on topics that must be described in the Periodic report that have occurred since the publication of the company's Periodic report for 2025, as published by it on February 26, 2026 (Reference No. 2026-01-018302), which is included in this report by way of reference ("Periodic report"). It is clarified that, as a rule, the description included in this report only includes information that is, in the company's opinion, material information; however, in some cases, for the sake of completeness, the company has included a more extensive description than required, including information that is not necessarily material. The following updates are presented in the order of the sections of the Corporate Business Description chapter in the Periodic report. It should be noted that the terms below shall have the meaning attributed to them in the Periodic report, unless explicitly stated otherwise.

1. Update to Section 4 of the Corporate Business Description chapter included in the Periodic report

1.1. Mega D.C entering into an agreement for the purchase of a land parcel of approximately 180 dunams in Hadera

On April 15, 2026, Mega D.C entered into an agreement with a third party not related to the company and/or to its controlling shareholder for the purchase of a land parcel with a total area of approximately 180 dunams located in the northern industrial zone of Hadera for a total of NIS 1 billion (hereinafter: the "Sales Agreement") which was paid in full at the time of signing the Sales Agreement.

For further details, see the company's immediate report dated April 16, 2026 (Reference 2026-01-035193).

2. Update to Section 8 of the Corporate Business Description chapter included in the Periodic report -

See details in the "Business Environment" section of this report above.

3. Below are the data regarding the assets serving as collateral for the holders of BONDS issued to the public by the company:

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3.1. Commercial Center, BIG Afula

(Data according to 100%, corporation's share in the asset – 50%)	Current Year 2026	Comparative Figures
	Quarter 1	31.12.2025
Asset value (NIS thousands)	99,200	99,200
NOI in the period (NIS thousands)	1,692	6,767
Revaluation gains in the period (NIS thousands)	-	4,800
Average occupancy rate in the period (%)	99	99
Cap rate (%)	6.8	6.9
Average monthly rent per sq.m. (in NIS)	135	140
Average monthly rent per sq.m. in contracts signed during the period (in NIS)	147	-

3.2. Commercial Center, BIG Mega Or Kiryat Gat

(Data according to 100%, corporation's share in the asset – 50%)	Current Year 2026	Comparative Figures
	Quarter 1	31.12.2025
Asset value (NIS thousands)	252,740	252,010
NOI in the period (NIS thousands)	3,359	15,852
Revaluation gains (losses) in the period (NIS thousands)	(984)	16,245
Average occupancy rate in the period (%)	100	100
Cap rate (%)	6.4	6.3
Average monthly rent per sq.m. (in NIS)	90	121
Average monthly rent per sq.m. in contracts signed during the period (in NIS)	-	277

3.3. Commercial Center, BIG Mega Or Tiberias

(Data according to 100%, corporation's share in the asset – 50%)	Current Year 2026	Comparative Figures
	Quarter 1	31.12.2025
Asset value (NIS thousands)	227,630	227,990
NOI in the period (NIS thousands)	2,991	14,245
Revaluation gains (losses) in the period (NIS thousands)	(483)	7,100
Average occupancy rate in the period (%)	100	100
Cap rate (%)	5.3	6.8
Average monthly rent per sq.m. (in NIS)	93	112
Average monthly rent per sq.m. in contracts signed during the period (in NIS)	-	106

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3.4. Nisko Management Center, Modi'in (After the report period, the asset was released from lien)

(Data according to 100%, corporation's share in the asset – 100%)	Current Year 2026	Comparative Figures
	Quarter 1	**31.12.2025**
Asset value (NIS thousands)	136,950	137,090
NOI in the period (NIS thousands)	2,122	8,378
Revaluation gains (losses) in the period (NIS thousands)	(140)	3,140
Average occupancy rate in the period (%)	100	100
Cap rate (%)	6.2	6.1
Average monthly rent per sq.m. (in NIS)	53	53

3.5. Commercial Center, Mega Or REIT 1 Modi'in

(Data according to 100%, corporation's share in the asset – 50%)	Current Year 2026	Comparative Figures
	Quarter 1	**31.12.2025**
Asset value (NIS thousands)	202,000	200,810
NOI in the period (NIS thousands)	3,436	13,497
Revaluation gains in the period (NIS thousands)	1,190	10,010
Average occupancy rate in the period (%)	100	100
Cap rate (%)	6.8	6.7
Average monthly rent per sq.m. (in NIS)	102	101
Average monthly rent per sq.m. in contracts signed during the period (in NIS)	-	170

3.6. Commercial Center, BIG Mega Or Upper Galilee

(Data according to 100%, corporation's share in the asset – 50%)	Current Year 2026	Comparative Figures
	Quarter 1	**31.12.2025**
Asset value (NIS thousands)	212,200	211,850
NOI in the period (NIS thousands)*	3,075	20,186
Revaluation gains in the period (NIS thousands)	175	4,422
Average occupancy rate in the period (%)	97	97
Cap rate (%)	9.8	9.5
Average monthly rent per sq.m. (in NIS)	104	200

* During 2025, compensation of approximately NIS 7.3 million was received from the state for damages from the Iron Swords War.

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3.7. Management Center Lot 61 (after the report period the asset was released from pledge)

(Data according to 100%, Corporation's share in the asset – 100%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	185,780	186,120
NOI during the Period (NIS thousands)	3,431	13,191
Revaluation Gains (Losses) during the Period (NIS thousands)	(2,939)	2,690
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	7.4	7.1
Average Monthly Rent per Sqm (in NIS)	55	52

3.8. Management Center Lot 12A

(Data according to 100%, Corporation's share in the asset – 100%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	170,100	170,300
NOI during the Period (NIS thousands)	2,632	10,423
Revaluation Gains (Losses) during the Period (NIS thousands)	(200)	4,325
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	6.2	6.1
Average Monthly Rent per Sqm (in NIS)	48	48

3.9. Mega Or IKEA Logistics Ashdod

(Data according to 100%, Corporation's share in the asset – 100%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	91,120	92,500
NOI during the Period (NIS thousands)	2,457	9,081
Revaluation Losses during the Period (NIS thousands)	(1,380)	(2,400)
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	10.1	9.7
Average Monthly Rent per Sqm (in NIS)	52	51

3.10. Commercial Center, BIG Mega Or Pardes Hanna

(Data according to 100%, Corporation's share in the asset – 50%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	91,870	92,560
NOI during the Period (NIS thousands)	2,163	9,039
Revaluation Gains (Losses) during the Period (NIS thousands)	(1,049)	1,536
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	9.8	9.8

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(Data according to 100%, Corporation's share in the asset – 50%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Average Monthly Rent per Sqm (in NIS)	85	100

3.11 Vishay Management Center, Modi'in

(Data according to 100%, Corporation's share in the asset – 100%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	107,500	107,600
NOI during the Period (NIS thousands)	1,597	6,084
Revaluation Gains (Losses) during the Period (NIS thousands)	(100)	2,680
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	5.9	5.7
Average Monthly Rent per Sqm (in NIS)	39	37

3.12 Industrial Center in Lehavim

(Data according to 100%, Corporation's share in the asset – 100%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	230,700	231,100
NOI during the Period (NIS thousands)	3,576	14,140
Revaluation Gains (Losses) during the Period (NIS thousands)	(400)	5,000
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	6.2	6.1
Average Monthly Rent per Sqm (in NIS)	27	27

3.13 Commercial Center, BIG Mega Or Modi'in 2

(Data according to 100%, Corporation's share in the asset – 50%)	Current Year 2026 Q1	Comparative Figures 31.12.2025
Asset Value (NIS thousands)	78,700	77,900
NOI during the Period (NIS thousands)	1,313	5,268
Revaluation Gains (Losses) during the Period (NIS thousands)	400	3,400
Average Occupancy Rate during the Period (%)	100	100
Yield Rate (%)	6.8	6.8
Average Monthly Rent per Sqm (in NIS)	94	93

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3.14 For details regarding the value of the Ariel payment stream, see the valuation dated February 1, 2026, which was attached to the Periodic report. It should be noted that as of the date of the report, there has been no material change in the value of the Ariel payment stream as detailed in the valuation.

4. Below are details regarding material valuations in accordance with Regulation 8B(9) of the Securities Regulations (Periodic and Immediate Reports), 1970:

MDCIL-4 Phase A	
Valuation Subject	Examination of the fair value of a Data center with a capacity of 60 MW IT in the North Beit Shemesh Industrial Area
Valuation Timing	31/03/2026
Value of Valuation Subject determined according to the valuation (in NIS thousands)	471,000
Value of Valuation Subject immediately prior to the valuation date if accepted accounting principles, including depreciation and amortizations, had not required changing its value according to the valuation (in NIS thousands)	147,915
Identification and Characterization of the Appraiser, including education	Yaron Spector (Yaron Spector Real Estate Appraisal Ltd) - Bachelor's degree in Economics and Business Administration and Master's degree in Business Administration (Bar-Ilan University). Real Estate Appraisal and Property Management (Tel Aviv University) Gil Siton (Yaron Spector Real Estate Appraisal Ltd) – Bachelor's degree in Geography and Political Science and Master's degree in Business Administration (The Hebrew University of Jerusalem), Bachelor's degree in Law (Ono Academic College). Real Estate Appraisal and Property Management (Tel Aviv University)
Experience in performing valuations for accounting purposes in reporting corporations and in scopes similar to or exceeding those of the reported valuation	The appraiser has performed valuations for companies including BIG Commercial Centers, Hachsharat HaYishuv, Mashav, Arena, Star Group, Ashdar Construction Company, Carasso Real Estate, Globus Center, Azorim, Y.D. Brazani, Ashtrom, Hagag Group, Tidhar, in a scope exceeding NIS 10 billion.
Dependence on the valuation client	None
Reference to indemnity agreements with the appraiser	None

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MDCIL-4 Phase A	
Valuation model used by the appraiser	The appraiser used the Income Capitalization Method
Primary assumptions according to which the valuation was performed	In examining the forecast of future cash flows to arise from the asset according to agreements signed with customers, the appraiser used a discount rate of 8.15% to discount the cash flows for the first operational period of 20 years from the occupancy date. Additionally, a present value was taken for an additional 20 years (second operational period) discounted at 8.15% and deferred by 20 years, net of the present value of the investment amount in electro-mechanical systems required at the end of the first operational period. Furthermore, assets with similar characteristics and similar geographic location were examined for the use of the comparison approach to estimate the present value of the future rent of the building in its entirety after the termination of use as a Data center.

MDCIL-2	
Valuation Subject	Examination of the fair value of a Data center with a capacity of IT 30MW in the Yoav Regional Council Employment Park
Valuation Timing	31/03/2026
Value of Valuation Subject determined according to the valuation (in NIS thousands)	627,600
Value of Valuation Subject immediately prior to the valuation date if accepted accounting principles, including depreciation and amortizations, had not required changing its value according to the valuation (in NIS thousands)	296,056
Identification and Characterization of the Appraiser, including education	Yaron Spector (Yaron Spector Real Estate Appraisal Ltd) - Bachelor's degree in Economics and Business Administration and Master's degree in Business Administration (Bar-Ilan University). Real Estate Appraisal and Property Management (Tel Aviv University) Gil Siton (Yaron Spector Real Estate Appraisal Ltd) – Bachelor's degree in Geography and Political Science and Master's degree in Business Administration (The Hebrew University of Jerusalem), Bachelor's degree in Law (Ono Academic College). Real Estate Appraisal and Property Management (Tel Aviv University)

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Experience in performing valuations for accounting purposes in reporting corporations and in scopes similar to or exceeding those of the reported valuation	The appraiser has performed valuations for companies including BIG Commercial Centers, Hachsharat HaYishuv, Mashav, Arena, Star Group, Ashdar Construction Company, Carasso Real Estate, Globus Center, Azorim, Y.D. Brazani, Ashtrom, Hagag Group, Tidhar, in a scope exceeding NIS 10 billion.
Dependence on the valuation client	None
Reference to indemnity agreements with the appraiser	None
Valuation model used by the appraiser	The appraiser used the Income Capitalization Method
Primary assumptions according to which the valuation was performed	In examining the forecast of future cash flows to arise from the asset according to agreements signed with customers, the appraiser used a discount rate of 8.15% to discount the cash flows for the first operational period of 20 years from the occupancy date. Additionally, a present value was taken for an additional 20 years (second operational period) discounted at 8.15% and deferred by 20 years, net of the present value of the investment amount in electro-mechanical systems required at the end of the first operational period. Furthermore, assets with similar characteristics and similar geographic location were examined for the use of the comparison approach to estimate the present value of the future rent of the building in its entirety after the termination of use as a Data center.

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MDCIL-1	
Evaluation Subject	Examination of the fair value of a building which is partly used as a Data center with a capacity of 19 MW IT and partly as a logistics center, in Modi'in
Evaluation Timing	31/03/2026
Value of the evaluation subject determined according to the evaluation (in thousands of NIS)	829,760
Value of the evaluation subject immediately prior to the evaluation date if accepted accounting principles, including depreciation and amortizations, did not require changing its value according to the valuation (in thousands of NIS)	659,702
Identification of the evaluator and his characterization, including his education	Yaron Spector (Yaron Spector Real Estate Appraisal Ltd.) - B.A. in Economics and Business Administration and M.B.A (Bar-Ilan University). Real Estate Appraisal and Property Management (Tel Aviv University) Gil Siton (Yaron Spector Real Estate Appraisal Ltd.) – B.A. in Geography and Political Science and M.B.A (The Hebrew University of Jerusalem), LL.B (Ono Academic College). Real Estate Appraisal and Property Management (Tel Aviv University)
Experience in performing valuations for accounting purposes in reporting corporations and in scopes similar to those of the reported valuation or exceeding these scopes	The evaluator performed valuations for, among others, the following companies - BIG Shopping Centers, Israel Land Development Company, Mashav, Arena, Star Group, Ashdar Construction Company, Carasso Real Estate, Globus Center, Azorim, I.D. Barazani, Ashtrom, Hagag Group, Tidhar, in a scope of over NIS 10 billion.
Dependence on the evaluation client	None
Reference to indemnification agreements with the evaluator	None
Evaluation model according to which the evaluator acted	The evaluator used the income capitalization method

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MDCIL-1	
Main assumptions according to which the valuation was performed	The forecast of future cash flows to arise from the asset was examined according to the agreements signed with customers, the evaluator used a discount rate of 8.15% to discount the cash flows for a first operation period of 20 years from the occupancy date. In addition, a present value of an additional 20 years (second operation period) was taken, discounted at a rate of 8.15% and deferred by 20 years, this is less the present value of the investment amount in electro-mechanical systems which will be required at the end of the first operation period. Likewise, assets with similar characteristics and similar geographical location were examined for the purpose of using the comparison approach to estimate the present value of the future rent for the building in its entirety after the end of use as a Data center.

5. Further to the stated in Section 30.2 of the Periodic report –

As of March 31, 2026, the Company has BONDS in a total amount of approximately NIS 3,870,544 thousand, as well as bank loans (including via subsidiaries, guarantees for loans of affiliated companies, and including credit utilized from banking entities) in a total amount of approximately NIS 729,202 thousand which include (each loan agreement according to its terms) a material cross-default provision (as this term is defined in the Authority's position) subject to quantitative threshold conditions set in the agreements and/or other grounds concerning the existence of events indicating an apparent deterioration in the Company's business and/or its ability to service its debts.

6. Further to the stated in Section 26.2.1 of the Periodic report regarding the main projects abroad in the field of renewable energy of the joint energy company:

6.1. Regarding the Urleasca project in Romania – the expected operation date of the project is Q2 of 2026.

6.2. Regarding the Vacareni project in Romania – performance of the project has commenced.

7. A report regarding the liabilities status according to the Company's maturity dates as of March 31, 2026, will be published by the Company close to the publication of this report in form designated T-126.

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Appendix A to Chapter B

Update to the Corporation's Business Description chapter of Discount Investment Corporation Ltd.

Appendix A to Chapter B (Update of the Corporation's Business Description chapter)

Brief description of the update of the Corporation's Business Description of Discount Investment Corporation Ltd. ("DIC")
For the first quarter of the year 2026 which ended on March 31, 2026[2]

The matters detailed below are in addition to the developments and changes described in the financial statements of DIC as of December 31, 2025 ("the Annual Report").

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The information included in this brief description is given for the completion of the overall picture, but does not necessarily indicate that the information is material from the point of view of DIC.

1. DIC Activity and Description of its Business Development

Operation Lion's Roar – for details regarding the effects of the operation on DIC's activity, see Note 1.C to the financial statements of DIC and Section 1.2 of the Board of Directors' Report on the State of the Corporation's Affairs as of March 31, 2026, of DIC.

2. Description of the DIC business update according to activity areas Properties & Building Corp. Ltd. ("Properties & Building")

Legal Proceedings

For details about the pending claims against Properties & Building, see Note 16 to the DIC Annual Report and Note 8.H to the financial statements.

Properties & Building

- In May 2026, after the date of the statement of financial position, Properties & Building entered (via a wholly-owned subsidiary, holding the 10 Bryant tower in Manhattan, New York (the "Tower")) into an update to an existing lease agreement in the Tower with the American law firm Baker & McKenzie LLP ("Baker McKenzie"), which currently leases a total area of approximately 106 thousand sq. ft. (approx. 9.8 thousand sq. m.) on floors 14-20 in the Tower, whose current lease period ends on January 31, 2028. According to the update to the lease agreement, starting from December 1, 2026, Baker McKenzie will lease additional space on the 30th floor, and in addition, the agreement regarding the existing lease areas will be extended from February 1, 2028, for an additional lease period of 15 years, so that Baker McKenzie will lease an area in a total scope of approximately 122 thousand sq. ft. (approx. 11.3 thousand sq. m.) of the Tower's areas for a lease period ending on April 15, 2044. Within the framework of the update to the agreement, the annual rent regarding the existing areas was updated, and they increased from effective rent in the amount of $95 per sq. ft. to initial rent of $140 per sq. ft. The initial rent relative to the additional area on the 30th floor stands at $165 per sq. ft. For further details, see Note 8.E. to the DIC financial statements.

- On March 31, 2026, the valuation of the Tower was updated, such that the value presented in the valuation stands at 735 million dollars.

- In February 2026, Properties & Building issued to the public approximately NIS 300 million par value BONDS by way of a new series issuance of BONDS (Series 12). The BONDS were issued for approximately NIS 300 million gross. The BONDS are not secured by any collateral. For details, see Note 5.A.1. to the DIC financial statements.

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[2] The stated in this appendix is based on the quarterly report of DIC as of March 31, 2026 as published by DIC on May 14, 2026, in the distribution system of the Securities Authority and on the website of the Stock Exchange Ltd.

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- In February 2026, Property & Building Corp. (PBC) issued to the public approx. 397 million NIS par value BONDS by way of a new series of BONDS (Series 13). The BONDS were issued for approx. 397 million NIS gross. The BONDS are not secured by any collateral. For details see Note 5.a.1. to DIC's financial statements.

- In March 2026, PBC performed an early redemption, at PBC's initiative, of the full outstanding balance of the par value of the BONDS (Series 8) and of the full outstanding balance of the par value of the BONDS (Series 9) of the company. At the time of the early redemption, PBC paid the holders of BONDS (Series 8) a total of 69 million NIS, and the holders of BONDS (Series 9) a total of 1,200 million NIS. For details see Note 5.a.2. to the financial statements.

- In March 2026, PBC issued, within the framework of a private placement, 200 million NIS par value commercial papers (CP) (Series 1) not registered for trading, by way of a series expansion. For details regarding the conditions of the CP see Note 5.a.3. to DIC's financial statements.

- Following Note 13.b.2.a. to the annual financial statements of DIC regarding a credit facility from a banking institution in a total amount of 145 million NIS, in March 2026 PBC entered into an agreement with the bank to expand the facility by 200 million NIS (the total credit facility taken by PBC is 345 million NIS). As of the date of publication of the financial statements, the facility was not utilized. For further details see Note 5.a.3.b. to DIC's financial statements.

- PBC is examining the possibility of expanding its BONDS series (Series 12) and BONDS (Series 13), by way of a public offering according to a shelf offering report that the company is expected to publish, if and as much as it is published, by virtue of its shelf prospectus from May 13, 2025.

- On May 14, 2026, PBC's board of directors approved a plan for the self-purchase of PBC shares for a total cost of up to 50 million NIS, for a period of 3 years, until May 13, 2029.

- Dividend from Gav-Yam – On May 10, 2026, Gav-Yam's board of directors declared a dividend distribution in the amount of 60 million NIS, PBC's share in the payment of said dividend is 38 million NIS.

3. Description of DIC's Business – Additional Details

Financing

- As of March 31, 2026, and close to the date of publication of DIC's financial statements, DIC's leverage level stood at approx. 23% and 22%, respectively. The average leverage level for the said dates is approx. 23% and 21%, respectively.

- As of March 31, 2026, DIC's Net Asset Value and the ratio between net financial debt and the asset value stood at 1,335 million NIS and 23%, respectively.

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According to DIC's consolidated financial statements as of March 31, 2026, DIC has a working capital deficit of 836 million NIS and in the working capital for a period of 12 months (neutralizing assets and liabilities with an operating cycle exceeding one year) in the amount of 962 million NIS. According to DIC's separate ("solo") financial statements as of March 31, 2026, DIC has a working capital deficit of 290 million NIS. DIC has a continuous positive cash flow from operating activities both in the consolidated financial statements and in the solo reports. DIC attached a projected cash flow report to the financial statements, detailing the liabilities and financial resources from which DIC expects to repay them, in a period of two years ending March 31, 2028.

For further details about DIC's financial condition, its cash flow and its ability to meet its existing and expected obligations, see Note 1.b. to DIC's financial statements and section 1.6.2 to its board of directors report.

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Chapter C

Financial statements as of March 31

2026

Mega Or Holdings Ltd.

Consolidated Interim Financial Statements as of March 31, 2026

Unaudited

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Review Report of the Independent Auditor
To the Shareholders of
Mega Or Holdings Ltd.

Introduction

We have reviewed the accompanying financial information of Mega Or Holdings Ltd. and its subsidiaries (hereinafter - the Company), which includes the condensed consolidated statement of financial position as of March 31, 2026, and the condensed consolidated statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended. The Board of Directors and Management are responsible for the preparation and presentation of financial information for this interim period in accordance with International Accounting Standard IAS 34 - "Interim Financial Reporting", and are also responsible for the preparation of financial information for this interim period according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on the financial information for this interim period based on our review.

We did not review the condensed interim financial information of companies presented on the equity basis, the investment in which amounted to approximately NIS 847,202 thousand as of March 31, 2026, and the Group's share in the profits of the aforementioned companies amounted to approximately NIS 8,914 thousand for the three-month period then ended. The condensed interim financial information of those companies was reviewed by other accountants whose review reports were furnished to us, and our conclusion, insofar as it relates to the financial information regarding those companies, is based on the review reports of the other accountants.

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 the review reports of other accountants, nothing has come to our attention that causes us to believe that the aforementioned financial information is not prepared, in all material respects, in accordance with International Accounting Standard IAS 34.

In addition to the statement in the previous paragraph, based on our review and the review reports of other accountants, nothing has come to our attention that causes us to believe that the aforementioned financial information does not comply, in all material respects, with the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

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Mega Or Holdings Ltd.

Condensed Consolidated Statements of Financial Position

	As of March 31		As of December 31
	2026	**2025**	**2025**
	Unaudited		Audited
	NIS in thousands		
Current Assets			
Cash and cash equivalents	1,224,372	534,125	1,098,205
Financial assets held for trading measured at fair value through profit or loss	32,091	127,540	58,328
Short-term deposits	-	70,135	-
Restricted deposit and cash	90,177	69,114	66,886
Tenants	16,215	9,002	13,793
Other receivables and debit balances	101,325	61,356	67,995
	1,464,180	871,272	1,305,207
Assets held for sale	271,250	604,733	290,512
	1,735,430	1,476,005	1,595,719
Non-current Assets			
Investments in companies accounted for using the equity method	1,791,689	1,639,852	1,783,580
Investments measured at fair value through profit or loss	56,886	37,773	38,426
Long-term receivables and debit balances	124,357	123,625	126,868
Investment property	5,163,794	4,406,139	5,172,091
Investment property under development	2,897,103	1,175,902	1,560,450
Fixed assets	6,592	5,448	6,693
Goodwill	4,906	4,906	4,906
	10,045,327	7,393,645	8,693,014

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	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS in thousands		
	11,780,757	**8,869,650**	**10,288,733**

The accompanying notes constitute an integral part of the condensed consolidated interim financial statements.

	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS in thousands		
Current Liabilities			
Credit from banking and other institutions	748,346	459,279	748,746
Current maturities of BONDS	967,937	717,686	730,930
Liabilities to suppliers and service providers	147,842	15,267	56,765
Other payables and credit balances	193,500	84,966	179,125
Advance regarding sale of assets held for sale	3,138	3,138	3,138
	2,060,763	**1,280,336**	**1,718,704**
Non-current Liabilities			
Loans from banking institutions	527,509	414,198	502,085
BONDS	2,902,607	3,330,639	3,402,853
Deposits from tenants	226,482	4,353	23,251
Derivatives	430	430	430
Financial and lease liability	91,183	69,815	91,652
Liabilities for employee benefits	1,988	1,658	1,862
Deferred taxes	733,746	436,973	543,825
	4,483,945	**4,258,066**	**4,565,958**

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	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS in thousands		
Equity attributable to the company's shareholders			
Share capital	381	366	366
Share premium	1,349,809	737,474	737,474
Fund from transaction with controlling shareholder	68	68	68
Fund from transaction with non-controlling interests	48,172	43,986	48,172
Fund from share-based payment transactions	32,706	26,740	30,557
Revaluation fund	598	-	598
Foreign currency translation reserve	6,360	28,319	6,814
Retained earnings	3,700,594	2,377,982	3,083,859
	5,138,688	**3,214,935**	**3,907,908**
Non-controlling interests	97,361	116,313	96,163
Total equity	**5,236,049**	**3,331,248**	**4,004,071**
	11,780,757	**8,869,650**	**10,288,733**

The accompanying notes constitute an integral part of the condensed consolidated interim financial statements.

May 19, 2026	Amit Berger	Tzachi Nahmias	Onplus Haim
Date of approval of financial statements	Chairman of the Board	Co-CEO	CFO

Mega Or Holdings Ltd. **Condensed Consolidated Statements of Comprehensive Income**

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS in thousands			
Revenue from rental and management of real estate	97,782	76,295	328,941
Income from loans for real estate financing measured at fair value through profit or loss	480	652	4,751
Operating and management costs of investment property	6,146	3,754	19,544

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS in thousands			
Gross profit	**92,116**	**73,193**	**314,148**
Group's share in results of companies accounted for using the equity method, net	6,039	49,582	96,140
Increase in fair value of investment property and investment property under development and others, net	827,287	87,498	388,079
General and administrative expenses	12,689	11,131	45,591
Other income (expenses), net	(174)	(29,484)	40,697
Operating profit	**912,579**	**169,658**	**793,473**
Finance income	64,928	11,650	223,503
Finance expenses	(65,094)	(65,400)	(194,709)
Revaluation of investments measured at fair value through profit and loss (BIG Shopping Centers)	(17,518)	(30,539)	210,589
Profit before taxes on income	**894,895**	**85,369**	**1,032,856**
Taxes on income	204,248	4,919	183,855
Net profit	**690,647**	**80,450**	**849,001**
Net profit attributable to:			
Company shareholders	689,449	78,458	844,335
Non-controlling interests	1,198	1,992	4,666
	690,647	**80,450**	**849,001**

The accompanying notes constitute an integral part of the condensed consolidated interim financial statements.

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Mega Or Holdings Ltd.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Net profit	690,647	80,450	849,001
Other comprehensive income (after tax effect):			
Items that will not be reclassified subsequently to profit or loss:			
Adjustments arising from a revaluation reserve of companies accounted for using the equity method	-	-	598
Total other comprehensive income that will not be reclassified to profit or loss	-	-	598
Items that were or will be reclassified subsequently to profit or loss:			
Adjustments arising from translation of financial statements of companies accounted for using the equity method	(454)	3,282	(18,223)
Total other comprehensive income (loss) that was or will be reclassified subsequently to profit or loss	(454)	3,282	(18,223)
Total other comprehensive income (loss)	(454)	3,282	(17,625)
Total comprehensive income	690,193	83,732	831,376
Total comprehensive income attributable to:			
Shareholders of the Company	688,995	81,740	826,710
Non-controlling interests	1,198	1,992	4,666
	690,193	83,732	831,376
Net profit per share attributable to the Company's shareholders (in NIS)			
Basic net profit per share	18.57	2.14	23.05
Diluted net profit per share	18.52	2.12	22.87

The accompanying notes form an integral part of the consolidated interim financial statements.

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	Attributable to the Company's shareholders										
	Share capital	Share premium	Fund in respect of transaction with controlling shareholders	Fund in respect of non-controlling interests	Reserve for adjustments arising from translation of financial statements	Revaluation reserve	Reserve for share-based payment transactions	Retained earnings	Total	Non-controlling interests	Total equity
	Audited										
	NIS thousands										
Balance as of January 1, 2026 (Audited)	366	737,474	68	48,172	6,814	598	30,557	3,083,859	**3,907,908**	96,163	**4,004,071**
Total net profit	-	-	-	-	-	-	-	689,449	689,449	1,198	690,647
Other comprehensive income (after tax effect):											
Adjustments arising from translation of financial statements of a company accounted for using the equity method	-	-	-	-	(454)	-	-	-	(454)	-	(454)
Total comprehensive income	**-**	**-**	**-**	**-**	**(454)**	**-**	**-**	**689,449**	**688,995**	**1,198**	**690,193**
Issuance of capital	15	612,335	-	-	-	-	-	-	612,350	-	612,350
Share-based payment	-	-	-	-	-	-	2,149	-	2,149	-	2,149
Dividend to the Company's shareholders	-	-	-	-	-	-	-	(72,714)	(72,714)	-	(72,714)
Balance as of March 31, 2026	**381**	**1,349,809**	**68**	**48,172**	**6,360**	**598**	**32,706**	**3,700,594**	**5,138,688**	**97,361**	**5,236,049**

The accompanying notes form an integral part of the consolidated interim financial statements.

Consolidated Statements of Changes in Equity

	Attributable to the Company's shareholders									
	Share capital	Share premium	Fund for transaction with controlling shareholder	Fund for transaction with non-controlling interest holders	Reserve for adjustments arising from translation of financial statements	Reserve for share-based payment transactions	Retained earnings	Total	Non-controlling interests	Total equity
	Audited									
	NIS thousands									
Balance as of January 1, 2025 (Audited)	366	737,474	68	43,986	25,037	25,098	2,369,524	3,201,553	114,815	3,316,368
Total net profit	-	-	-	-	-	-	78,458	78,458	1,992	80,450
Other comprehensive income (after tax effect):										
Adjustments arising from translation of financial statements of a company accounted for using the equity method	-	-	-	-	3,282	-	-	3,282	-	3,282
Total comprehensive income	-	-	-	-	3,282	-	78,458	81,740	1,992	83,732
Share-based payment	-	-	-	-	-	1,642	-	1,642	-	1,642
Dividend to the Company's shareholders	-	-	-	-	-	-	(70,000)	(70,000)	-	(70,000)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(494)	(494)
Balance as of March 31, 2025	366	737,474	68	43,986	28,319	26,740	2,377,982	3,214,935	116,313	3,331,248

The accompanying notes form an integral part of the consolidated interim financial statements.

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Mega Or Holdings Ltd. **Consolidated Statements of Changes in Equity**

	Attributable to the Company's shareholders										
	Share capital	Share premium	Fund in respect of controlling shareholder	Fund in respect of transaction with non-controlling interests	Reserve for adjustments arising from translation of financial statements	Revaluation reserve	Reserve for share-based payment transactions	Retained earnings	Total	Non-controlling interests	Total equity
	Audited										
	NIS thousands										
Balance as of January 1, 2025	**366**	**737,474**	**68**	**43,986**	**25,037**	**-**	**25,098**	**2,369,524**	**3,201,553**	**114,815**	**3,316,368**
Total net profit	-	-	-	-	-	-	-	844,335	844,335	4,666	849,001
Other comprehensive income (after tax effect):											
Adjustments arising from a revaluation reserve for a company accounted for using the equity method	-	-	-	-	-	598	-	-	598	-	598
Adjustments arising from translation of financial statements of an associate company	-	-	-	-	(18,223)	-	-	-	(18,223)	-	(18,223)
Total comprehensive income	**-**	**-**	**-**	**-**	**(18,223)**	**598**	**-**	**844,335**	**826,710**	**4,666**	**831,376**
Adjustments arising from a transaction with non-controlling interest holders in an associate company	-	-	-	4,186	-	-	-	-	4,186	-	4,186
Lease liability	-	-	-	-	-	-	-	-	-	(21,893)	(21,893)
Share-based payment	-	-	-	-	-	-	5,459	-	5,459	-	5,459
Dividend to the Company's shareholders	-	-	-	-	-	-	-	(130,000)	(130,000)	-	(130,000)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,425)	(1,425)
Balance as of December 31, 2025	**366**	**737,474**	**68**	**48,172**	**6,814**	**598**	**30,557**	**3,083,859**	**3,907,908**	**96,163**	**4,004,071**

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Mega Or Holdings Ltd. **Consolidated Statements of Cash Flows**

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Cash flows from operating activities			
Net profit	690,647	80,450	849,001
Adjustments required to present cash flows from operating activities:			
Adjustments to profit or loss items:			
Depreciation	293	229	1,037
Increase in fair value of investment property, investment property under development and other amortizations, net	(827,287)	(87,498)	(388,079)
Revaluation of BONDS	616	12,198	105,404
Revaluation of liabilities to banking corporations and other long-term liabilities	1,398	978	14,668
Revaluation of long-term loans granted	(2,350)	(1,301)	(7,290)
Decrease (increase) in value of securities measured at fair value through profit or loss	11,885	66,874	(376,817)
Change in liabilities for employee benefits, net	126	627	831
Share-based payment cost	2,148	1,642	5,459
Loss from disposal of fixed assets	2	-	9
Group's share in profits of companies accounted for using the equity method, net	(6,039)	(49,582)	(96,140)
Loss from impairment (profit from reversal of impairment loss) of investment in an associate (DIC)	-	29,189	(61,060)
Financing expenses, net	19,654	9,634	64,961
Taxes on income	204,248	4,919	183,855
	(595,306)	(12,091)	(553,162)
Changes in assets and liabilities items:			
Decrease (increase) in tenants	(2,421)	1,067	(3,724)
Increase in debtors and debit balances	(12,152)	(2,474)	(5,392)
Decrease (increase) in long-term prepaid expenses	-	(1,012)	1,050
Increase (decrease) in released deposits	203,231	(49)	19,503
Increase (decrease) in liabilities to suppliers and service providers	27,578	(3,428)	4,553
Increase (decrease) in payables and credit balances	(2,004)	57	12,704
	214,232	(5,839)	28,694
Cash paid and received during the period for:			

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Interest paid	(44,667)	(37,537)	(131,492)
Interest received	18,398	13,833	59,960
Dividend received	1,800	-	3,100
Taxes paid	(616)	(323)	(2,336)
Taxes received	487	16	121
	(24,598)	(24,011)	(70,647)
Net cash provided by operating activities	**284,975**	**38,509**	**253,886**

The accompanying notes are an integral part of the interim consolidated financial statements.

Mega Or Holdings Ltd. **Consolidated Statements of Cash Flows**

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Cash flows from investing activities			
Purchase of fixed assets	(271)	(729)	(3,007)
Proceeds from disposal of fixed assets	56	-	52
Investment in investment property and investment property under development	(450,758)	(87,285)	(914,035)
Deposits in banking corporations	-	(70,000)	-
Payment for purchase of other investments	-	-	(18,878)
Change in restricted cash, net	(23,292)	247,192	249,420
Sale (purchase) of securities measured at fair value through profit or loss, net	15,154	(22,742)	822,607
Granting of loans	(2,500)	(286)	(404)
Collection of loans	6,297	3,383	4,890

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Collection (granting) of loans to companies accounted for using the equity method, net	(2,456)	8,981	(13,697)
Related parties, net	(189)	6	183
Net cash provided by (used in) investing activities	(457,959)	78,520	127,131
Cash flows from financing activities			
Issuance of share capital (net of issuance expenses)	612,351	-	-
Dividend paid to company shareholders	(72,714)	(70,000)	(130,000)
Dividend paid to non-controlling interests	-	(494)	(1,425)
Issuance of BONDS (net of issuance expenses)	-	344,823	808,980
Receipt of long-term loans from banking corporations	27,904	40,400	198,651
Repayment of long-term loans from banking corporations	(3,108)	(4,153)	(81,368)
Repayment of lease liability	(1,770)	(107)	(7,313)
Repayment of BONDS	(263,856)	(258,757)	(730,662)
Short-term credit from banking corporations and others, net	344	3,284	(101,605)
Issuance of commercial papers	-	-	589,376
Redemption of commercial papers	-	-	(189,546)
Net cash provided by financing activities	299,151	54,996	355,088
Increase in cash and cash equivalents	126,167	172,025	736,105
Balance of cash and cash equivalents at the beginning of the period	1,098,205	362,100	362,100
Balance of cash and cash equivalents at the end of the period	1,224,372	534,125	1,098,205

The accompanying notes are an integral part of the interim consolidated financial statements.

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
(a) **Significant non-cash activity** Investment in investment property, investment property under development and fixed assets on credit	106,071	9,055	42,572

The accompanying notes are an integral part of the interim consolidated financial statements.

Note 1: - General

a. Mega Or Holdings Ltd. (hereinafter - "the Company") is an Israeli resident company. The condensed consolidated financial statements of the Group as of March 31, 2026, include those of the Company and its subsidiaries, as well as the Group's rights in companies accounted for using the equity method and in jointly controlled entities. The Group is engaged in the initiation, acquisition, development and construction of buildings in Israel for the purpose of leasing them. As of the date of this report, most of the Group's assets are logistics buildings, industrial/storage buildings and commercial centers. In addition, the Company is engaged in the initiation, planning, construction and operation of Data centers. The Group also has energy activity, including renewable energy activity in Israel and abroad (abroad through a company held by the Company and by BIG Shopping Centers Ltd. in equal parts).

The Company's securities are listed for trading on the Tel Aviv Stock Exchange.

b.

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On February 28, 2026, the State of Israel and the United States launched a combined attack against Iran as part of operation "Lion's Roar" ("the Operation"). In response, Iran attacked the State of Israel and other countries in the region using missiles and UAVs. In addition, at the beginning of March 2026, the fighting front against the Hezbollah terrorist organization was reopened and the State of Israel began operating in southern Lebanon as well. With the start of the Operation, a special situation was declared in the rear of the State of Israel, whereby all regions in the country were moved from a full activity level to a necessary activity level and various restrictions were imposed, including restrictions on gatherings, suspension of studies in the education system and temporary closure of businesses. It should be noted that after the reporting period, during April 2026, a ceasefire was declared, initially on the front against Iran and later also on the front against Hezbollah. As a result of the Operation, significant volatility began in energy prices, including oil prices, and volatility began in foreign exchange rates. In the opinion of the Company's management, as of the date of publication of the report, the above does not materially affect the Company's operations and its results, as well as the completion dates for projects under construction in Israel.

c. These financial statements were prepared in a condensed format as of March 31, 2026 and for the three-month period ended on that date (hereinafter - interim consolidated financial statements). These 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 (hereinafter - the annual consolidated financial statements).

Note 2: - Significant Accounting Policies

Basis of Preparation of the Interim Consolidated Financial Statements

The interim consolidated financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as well as the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements.

Note 3: - Contingent Liabilities

There has been no change in the Company's contingent liabilities.

For further information regarding contingent liabilities, see Note 21c to the annual consolidated financial statements.

Note 4: - Material Events During and After the Reporting Period

a. On January 6, 2026, Mega DC Ltd. entered into an agreement with a subsidiary of an international company traded on NASDAQ with global operations in the field of cloud and AI infrastructure, for the provision of Data Center services with a capacity of approximately 80MW to be provided at two facilities being established by Mega DC in the Yoav Regional Council ("the Masmiya facility") and in Beit Shemesh ("the Beit Shemesh facility"). The delivery date of the Masmiya facility to the customer will occur during the third quarter of 2026 and the Beit Shemesh facility will be delivered in stages starting from the third quarter of 2027. Annual revenues net of operating and system maintenance costs will amount to approximately NIS 320 million.

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

On January 18, 2026, a deposit of approximately NIS 203 million was received by Mega DC Ltd., which serves as security to ensure payment for services as mentioned above.

B. On January 29, 2026, Mega DC Ltd. entered into an agreement with a third party that is not a related party to the company and/or the controlling shareholder, for the purchase of all the seller's rights in the land known as Plot 101 in Block 2604 (Lot 201), with a registered area of approximately 22 thousand square meters in the Yoav Regional Council, in exchange for a total of approximately NIS 180 million. As of the report date, the purchase has been completed.

C. On February 8, 2026, the company's board of directors decided to grant 197,672 warrants (not listed for trading) (hereinafter - the warrants) to employees of the company and service providers to the company. According to the plan, the warrants will be granted without consideration and are exercisable into 197,672 registered ordinary shares of 0.01 NIS par value each of the company, for an exercise price equal to NIS 339.79, which is the average of 30 trading days of the company's share prior to the date of the board of directors' decision regarding the granting of the warrants.

The average economic value of a warrant is approximately NIS 156.43, totaling approximately NIS 30,922 thousand. The economic value was calculated according to the B&S model based on a share price of NIS 377.7, an exercise price of NIS 339.79, a daily standard deviation of 40.69% for tranche 1, 40.84% for tranche 2, 37.97% for tranche 3 and 39.25% for tranche 4, and a risk-free interest rate of 3.46% for tranche 1, 3.5% for tranche 2, 3.55% for tranche 3 and 3.62% for tranche 4.

The vesting period of the warrants will be such that a quarter of the warrants will be exercisable after two years from the allocation date. A quarter of the warrants will be exercisable after three years from the allocation date. A quarter of the warrants will be exercisable after four years from the allocation date. A quarter of the warrants will be exercisable after five years from the allocation date. Allocated warrants will be exercisable by the offeree in full or in part from time to time, provided that the offeree is employed and/or provides services to the company and/or a company under its control, directly and/or indirectly, and no later than three (3) years from the allocation date for tranche 1, no later than four (4) years from the allocation date for tranche 2, no later than five (5) years from the allocation date for tranche 3, and no later than six (6) years from the allocation date for tranche 4.

D. On February 10, 2026, Mega DC entered into an agreement with an international technology corporation for the construction of a Powered Shell level building with a capacity of 64MW and the construction of a substation on land located in Mevo Carmel.

E. On February 26, 2026, the company's board of directors decided on a dividend distribution in the amount of NIS 70,000 thousand (dividend per share of NIS 1.90668). The record date for dividend eligibility is March 10, 2026. On March 13, 2026, a dividend in the total of approximately NIS 72,714 thousand was paid (after share capital issuance).

F. On February 26, 2026, the company announced its intention to release, in accordance with the provisions of the trust deed, the assets Nisko Management Center and Lot 61 Management Center which were pledged in favor of the holders of BONDS Series 8 after the principal repayment scheduled for March 31, 2026. Said assets were released from the pledge in favor of the bondholders after the report date.

G.

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On March 4, 2026, the company completed an issuance of the company's shares, in the amount of 1,377,379 registered ordinary shares, of NIS 0.01 par value each by way of a non-extraordinary material private placement to investors, in exchange for a total of NIS 615,000 thousand reflecting a price of NIS 446.5 per share.

H. After the report period, on April 15, 2026, Mega DC Ltd. entered into an agreement with a third party that is not a related party to the company and/or the controlling shareholder (hereinafter - the "Seller"), for the purchase of all the Seller's rights in a land tract of approximately 180 dunams located in the northern industrial zone of Hadera, in exchange for a total of approximately NIS 1 billion. As of the report publication date, the purchase of the land has been completed.

I. After the report period, on April 16, 2026, due to improvement in the financial situation and expectation of future growth, the rating company raised the company's issuer rating to -ilAA and the company's BONDS rating to ilAA-.

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

J. After the reporting period, on April 28, 2026, the company completed a public offering of BONDS (Series 9) of the company to the public, in the amount of NIS 197,952 thousand par value. The issuance of the new BONDS was performed by way of a series expansion at a price of NIS 113.1 for every NIS 100 par value. The effective interest rate was set at 2.66% (nominal interest 0.84%). The total gross proceeds received by the company for the issuance of the new BONDS amounted to approximately NIS 223,884 thousand (NIS 222,601 thousand net of issuance costs).

K. After the reporting period, on April 28, 2026, the company completed a public offering of BONDS (Series 11) of the company to the public, in the amount of NIS 751,457 thousand par value. The issuance of the new BONDS was performed by way of a series expansion at a price of NIS 107.6 for every NIS 100 par value. The effective interest rate was set at 2.92% (nominal interest 0.97%). The total gross proceeds received by the company for the issuance of the new BONDS amounted to approximately NIS 808,568 thousand (NIS 802,646 thousand net of issuance costs).

L. After the reporting period, on May 19, 2026, the company's board of directors decided on a dividend distribution in the amount of NIS 40,000 thousand (dividend per share of NIS 1.04872). The record date for dividend eligibility is June 1, 2026. The dividend will be paid on June 10, 2026.

Note 5: - Financial Instruments

Fair Value

Following are the book balances and fair value of financial instruments measured at amortized cost:

	December 31, 2025		March 31, 2025		March 31, 2026	
	Audited		Unaudited		Unaudited	
Financial Liabilities	Fair Value	Balance (*)	Fair Value	Balance (*)	Fair Value	Balance (*)
	NIS thousands					
Fixed interest loans (1)	127,717	128,536	130,197	131,487	125,747	126,524
BONDS (2)	4,078,345	4,148,880	3,906,692	4,060,056	3,819,486	3,879,584
Total	**4,206,062**	**4,277,416**	**4,036,889**	**4,191,543**	**3,945,233**	**4,006,108**

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(*) The book balance includes interest payable on the financial liabilities.

(1) The fair value (Level 3 in the fair value hierarchy) is based on discounted cash flow at real interest rates (CPI-linked loans) and nominal interest rates.

(2) BONDS Series 6, 7, 8, 9, 10, 11, 12 (CPI-linked) - The fair value is based on quoted prices in an active market as of the balance sheet date (Level 1 in the fair value hierarchy).

The balance in the financial statements of cash and cash equivalents, pledged cash, tenants, trade and other receivables, loans to others, long-term receivables, trade and service provider payables, payables for land acquisition, creditors and credit balances, loans from banking corporations at variable interest, other long-term liabilities, and deposits corresponds to or is close to their fair value.

Note 6: -Financial statements of joint ventures accounted for under the equity method

Condensed information from the statement of financial position, statement of profit or loss, and statement of comprehensive income of Discount Investment Corporation Ltd. (hereinafter – DIC):

	March 31		December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Current assets	4,100,000	4,624,000	4,141,000
Of which: Cash and cash equivalents	665,000	1,356,000	1,120,000
Non-current assets	20,962,000	19,728,000	20,990,000
Current liabilities	4,936,000	5,171,000	5,371,000
Non-current liabilities	12,687,000	12,635,000	12,355,000
Total equity attributable to owners of DIC	1,890,000	1,927,000	1,877,000
Holding rate in DIC	29.9%	29.9%	29.9%
Total investment in DIC	565,110	576,173	561,223
Other adjustments	266,239	266,239	266,239
Provision for impairment	(334,163)	(424,412)	(334,163)
Total investment in DIC	**497,186**	**418,000**	**493,299**

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Results of DIC's operations during the period:			
Revenue	365,000	425,000	1,666,000
Net profit	110,000	227,000	517,000
Net profit attributable to owners of DIC	17,000	87,000	98,000
Holding rate in DIC	29.9%	29.9%	29.9%
Company's share in DIC profit	5,083	26,013	29,302
Total company's share in DIC profit	**5,083**	**26,013**	**29,302**
Profit from reversal of impairment (Loss from impairment)	-	(29,189)	61,060
Total profit (loss) from DIC company	**5,083**	**(3,176)**	**90,362**

Note 7: - Net gain from revaluation of investment property and investment property under development

A.

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Net gain from revaluation of investment property and investment property under construction	827,287	87,498	388,079
Company's share in the revaluation of investment property and investment property under construction - presented as part of the group's share in the results of companies accounted for under the equity method	(1,735)	8,383	42,297
	825,552	**95,881**	**430,376**

B. The fair value of investment property under development (Level 3 in the fair value hierarchy):

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As of March 31, 2026, and after examining all relevant facts and circumstances, the group believed that there was a material improvement in the level of certainty regarding central variables affecting the possibility of determining a reliable value for the Data Centers facilities under construction. Among other things, the level of certainty regarding the supply dates of critical electro-mechanical systems strengthened, a more advanced and updated technical specification for the projects was formulated, a building permit was received for the Beit Shemesh project, and contracts were signed with customers, in a manner that supports the commercial maturation of the projects and the ability to estimate the expected economic benefits from them. In light of the above, the group conducted a valuation for the facilities under construction as of March 31, 2026.

In the valuation of investment property under development, the discounted cash flow method was used, as found appropriate by the appraiser. The determination of fair value is based on an estimate of the expected future income from the completed project, while using adjusted yields (8.15% capitalization rate) for the significant risks relevant to the construction process, including construction and leasing risks which are higher than the current yields for similar investment property assets when they are complete. The remaining expected costs to completion, plus entrepreneurial profit, are deducted from the estimated future income as mentioned above. The cash flows were determined based on the prices in the service contracts signed by the parties to the agreement.

Note 8: - Financial Covenants

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated July 6, 2016.

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated August 17, 2017.

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated June 12, 2018.

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated February 20, 2020.

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated July 8, 2021.

As of March 31, 2026, the company meets its obligations in accordance with the trust deed and the terms of the shelf offering report dated September 10, 2024.

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Note 9: - Operating Segments

A. General

Operating segments were determined based on information examined by the Chief Operating Decision Maker (CODM) for decision-making regarding resource allocation and performance evaluation. Until the end of the third quarter of 2025, the company reported two operating segments: investment property (which mainly included logistics centers, commercial centers, and plots) and investment in DIC, while real estate investment financing was presented within the "Other" segment. During the last quarter of 2025, due to an increase in actual income, an expectation of a significant increase in future income from the construction and operation of Data centers and its expected significant impact on the company's activity, the company conducted a re-examination of the reportable segments in its financial statements and found that the investment property (Data centers) activity meets the criteria required for presentation as a separate segment. Accordingly, the company's operating segments are:

1.	Investment property (logistics centers, commercial centers, and plots)	-	Construction and management of commercial spaces in shopping centers and logistics centers/industrial buildings in Israel.
2.	Investment property (Data centers)	-	Construction and operation of data centers in Israel.
3.	Investment in DIC	-	Includes the company's activity in its holdings in DIC.
4.	Other	-	Financing and real estate investments.

In light of this, the comparative figures in the Note on the company's operating segments for the first quarter of 2025 have been restated.

The Chief Operating Decision Maker examines segment assets which do not include deferred taxes, loans to associates, capital notes, and financial derivatives since these assets are managed on a group basis. DIC's performance is evaluated by the Chief Operating Decision Maker based on the segment's net profit according to actual holding percentages, while the investment property segments (logistics centers, commercial centers, plots, and Data centers) and the real estate investment financing segment are examined based on gross profit or loss.

The company monitors its performance according to consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards). Segment income and segment profit in this Note include the income of associates and joint ventures and the gross profit, respectively, according to the company's holding rate in these associates and joint ventures, in the context of investment property segments (logistics centers, commercial centers, plots, and Data centers). The company's share in the income and gross profit of associates and joint ventures as stated is eliminated in the "Adjustments" column, in order to reconcile the segment data to the company's financial statements.

Note 9: - Operating Segments (Continued)

A. Reporting on Operating Segments

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	Investment property					
	Logistics centers, commercial centers, and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
	NIS thousands					
For the three-month period ended March 31, 2026 (Unaudited)						
Segment income	106,759	11,724	-	480	(20,701)	98,262
Segment profit	102,429	9,160	5,083	480	(19,953)	97,199
Group's share in profits of companies accounted for using the equity method, net						956
Increase in fair value of investment property and investment property under development and other depreciations, net	47,885	777,667	-	-	1,735	827,287
General and administrative expenses						(12,689)
Other expenses, net	-	-	-	-		(174)
Operating profit						**912,579**
Financing income						64,928
Financing expenses						(65,094)
Revaluation of investments measured at fair value through profit or loss (Big Shopping Centers)						(17,518)
Profit before taxes on income from continuing operations						**894,895**

Note 9: - Operating Segments (Continued)

	Investment property					
	Logistics centers, commercial centers, and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
		NIS thousands				
For the three-month period ended March 31, 2025 (Unaudited)						
Segment income	96,561	-	-	652	(20,266)	76,947
Segment profit	92,012	-	26,013	652	(19,471)	99,206
Group's share in profits of companies accounted for using the equity method, net						23,569

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	Investment property					
	Logistics centers, commercial centers, and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
		NIS thousands				
Increase in fair value of investment property and investment property under development and other depreciations, net	97,606	-	-	(1,725)	(8,383)	87,498
General and administrative expenses						(11,131)
Other expenses, net	-	-	(29,189)		(295)	(29,484)
Operating profit						169,658
Financing income						11,650
Financing expenses						(65,400)
Revaluation of investments measured at fair value through profit or loss (Big Shopping Centers)						(30,539)
Profit before taxes on income from continuing operations						**85,369**

Note 9: - Operating Segments (Continued)

	Investment property					
	Logistics centers, commercial centers and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
For the year ended December 31, 2025	NIS thousands					
Segment income	404,000	13,300	-	4,751	(88,359)	333,692
Segment profit	385,140	9,525	29,302	4,751	(85,268)	343,450
Group's share in profits of companies accounted for using the equity method, net						66,838
Increase in fair value of investment property and investment property under development and other depreciations, net	194,343	233,481		2,552	(42,297)	388,079

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	Investment property					
	Logistics centers, commercial centers and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
For the year ended December 31, 2025	NIS thousands					
General and administrative expenses						(45,591)
Other expenses, net			61,060		(20,363)	40,697
Operating profit						793,473
Financing income						223,503
Financing expenses						(194,709)
Revaluation of investments measured at fair value through profit or loss (Big Shopping Centers)						210,589
Profit before taxes on income from continuing operations						1,032,856

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Note 9: - Operating Segments (continued)

B. Additional Information

	Investment Property					
	Logistics centers, commercial centers and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
	NIS in thousands					
As of March 31, 2026						
Segment assets	7,363,538	2,102,330	497,186	83,237	(1,979,894)	8,066,397
Assets not allocated to segments						3,714,360
Total consolidated assets						**11,780,757**

	Investment Property *					
	Logistics centers, commercial centers and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
	NIS in thousands					
As of March 31, 2025						
Segment assets	6,943,378	7,975	418,000	82,107	(1,863,919)	5,587,541
Assets not allocated to segments						3,282,109
Total consolidated assets						**8,869,650**
* Reclassified						

	Investment Property					
	Logistics centers, commercial centers and plots	Data Centers	Investment in DIC	Other	Adjustments	Total
	NIS in thousands					
As of December 31, 2025						
Segment assets	8,137,915	691,043	493,299	88,478	(2,672,694)	6,738,041
Assets not allocated to segments						3,550,692
Total consolidated assets						**10,288,733**

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Mega Or Holdings Ltd.

Financial data from the consolidated interim financial statements attributed to the company

As of March 31, 2026

Unaudited

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Special report for the review of separate interim financial information according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information presented according to Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 of Mega Or Holdings Ltd. (hereinafter - the Company), as of March 31, 2026 and for the three-month period ended on that date. The separate interim financial information is the responsibility of the Company's board of directors and management. Our responsibility is to express a conclusion on the separate interim financial information for this interim period based on our review.

We have not reviewed the separate interim financial information from the financial statements of held companies whose assets less liabilities attributed to them, net, amounted to approximately NIS 824,160 thousand as of March 31, 2026, and whose Company's share in the profits of the aforementioned companies amounted to approximately NIS 8,914 thousand for the three-month period ended on that date. The financial statements of those companies were reviewed by other accountants whose reports were furnished to us, and our conclusion, insofar as it relates to the financial statements for those companies, is based on the review reports of the other accountants.

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 separate 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 the review reports of other accountants, nothing has come to our attention that causes us to believe that the aforementioned separate interim financial information is not prepared, in all material respects, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv,

May 19, 2026

Kost Forer Gabbay & Kasierer

accountants

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Special report according to Regulation 38D

Financial data and financial information from the consolidated interim financial statements

Attributed to the Company

Following are separate financial data and financial information attributed to the company from the group's consolidated interim financial statements as of March 31, 2026, published as part of the periodic reports (hereinafter - consolidated reports), presented in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

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Mega Or Holdings Ltd.

Financial data from the consolidated reports on the financial position attributed to the Company

	As of March 31		As of December 31
	2026	2025	2025
	Unaudited		**Audited**
	NIS thousands		
Current assets			
Cash and cash equivalents	789,617	442,749	852,843
Financial assets held for trading measured at fair value through profit or loss	32,091	127,540	58,328
Short-term deposits	-	70,135	-
Cash pledged in trust	90,177	69,114	66,886
Tenants	12,199	7,006	7,761
Debtors and debit balances	75,859	61,068	61,118
	999,943	777,612	1,046,936
Assets held for sale	265,750	599,233	285,012
	1,265,693	**1,376,845**	**1,331,948**
Non-current assets			
Assets less liabilities attributed to investee companies, net	4,953,373	3,067,311	3,783,398
Investments measured at fair value through profit or loss	19,548	19,548	19,548
Long-term debtors and debit balances	97,336	87,713	92,335
Prepaid lease expenses	27,285	27,884	27,617
Investment property under development	928,209	935,255	1,001,354
Investment property	3,490,587	2,927,822	3,498,291
Fixed assets	4,535	3,702	4,621
Goodwill	4,906	4,906	4,906
	9,525,779	7,074,141	8,432,070
	10,791,472	**8,450,986**	**9,764,018**

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The attached additional information constitutes an integral part of the financial data and the separate financial information.

Mega Or Holdings Ltd.

Financial data from the consolidated reports on the financial position attributed to the Company

	As of December 31	As of March 31	
	2025	2025	2026
	Audited	Unaudited	
	NIS thousands		
Current liabilities			
Credit and current maturities of loans from banking corporations	740,780	451,330	740,726
Current maturities of BONDS	730,930	717,686	967,937
Liabilities to suppliers and service providers	17,427	11,661	27,901
Creditors and credit balances	178,464	72,954	199,344
	1,667,601	**1,253,631**	**1,935,908**
Non-current liabilities			
Loans from banking corporations	379,049	287,766	405,829
BONDS	3,402,853	3,330,639	2,902,607
Unearned income	1,917	-	-
Deposits from tenants	-	3,543	1,915
Financial and lease liability	38,386	38,702	37,972
Derivatives	430	430	430
Deferred taxes	364,159	319,822	366,284
Liabilities for employee benefits	1,715	1,518	1,839
	4,188,509	**3,982,420**	**3,716,876**
Equity attributed to the shareholders of the Company			
Share capital	366	366	381
Share premium	737,474	737,474	1,349,809
Capital reserves	86,209	99,113	87,904
Retained earnings	3,083,859	2,377,982	3,700,594
	3,907,908	**3,214,935**	**5,138,688**
	9,764,018	**8,450,986**	**10,791,472**

The attached additional information constitutes an integral part of the financial data and the separate financial information.

May 19, 2026	Amit Berger Chairman of the Board	Tzahi Nahmias Co-CEO	Onplus Haim CFO

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Mega Or Holdings Ltd.

Financial data from the consolidated reports on the comprehensive income attributed to the Company

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited	Unaudited	Audited
	NIS thousands		
Income from provision of services, leasing, and management of investment property	60,750	51,631	227,604
Income from granting loans for real estate financing measured at fair value through profit or loss	4,751	652	4,751
Cost of operating and managing investment property	3,560	3,032	13,984
Gross profit	**61,941**	**49,251**	**218,371**
Appreciation of investment property and investment property under construction	50,383	84,280	126,436
Company's share in profits of investees, net	653,156	61,014	325,115
General and administrative expenses	10,090	10,143	37,928
Other expenses, net	27	(29,440)	40,770
Operating profit	**755,417**	**154,962**	**672,764**
Financing income	29,586	21,988	265,956
Financing expenses	(67,264)	(66,095)	(193,714)
Revaluation of investments measured at fair value through profit or loss (Big Shopping Centers)	(17,518)	(30,539)	210,589
Profit before taxes on income	**700,221**	**80,316**	**955,595**
Taxes on income	(10,772)	(1,858)	(111,260)
Net profit attributed to the Company	**689,449**	**78,458**	**844,335**
Other comprehensive income (loss) (after tax impact):			
Items that will not be reclassified subsequently to profit or loss:			
Adjustments arising from revaluation reserve for a company accounted for under the equity method	-	-	598
Total other comprehensive income that will not be transferred to profit or loss	**-**	**-**	**598**
Items that were or will be reclassified subsequently to profit or loss:			
Adjustments arising from the translation of financial statements of an associate company	(454)	3,282	(18,223)
Total other comprehensive income (loss) that was or will be reclassified subsequently to profit or loss	**(454)**	**3,282**	**(18,223)**
Total other comprehensive income (loss)	**(454)**	**3,282**	**(17,625)**
Total comprehensive income attributed to the shareholders of the Company	**688,995**	**81,740**	**826,710**

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The attached additional information constitutes an integral part of the financial data and the separate financial information.

Mega Or Holdings Ltd.

Financial data from the consolidated reports on the cash flows attributed to the Company

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Cash flows from the Company's operating activities			
Net profit attributed to the Company	689,449	78,458	844,335
Adjustments required to present cash flows from the Company's operating activities:			
Adjustments for profit or loss items of the Company:			
Depreciation	260	217	964
Increase in fair value of investment property, investment property under development, and other amortizations, net	(50,383)	(84,280)	(126,437)
Revaluation of BONDS	616	12,198	105,404
Loss from disposal of fixed assets	2	-	9
Decrease (increase) in value of financial assets held for trading measured at fair value through profit or loss	58,447	66,874	(376,817)
Revaluation of long-term receivables	(2,125)	(1,350)	(7,835)
Change in liabilities for employee benefits	124	625	821
Share-based payment cost	2,148	1,642	5,459
Company's share in profits of investees, net	(653,156)	(61,014)	(325,115)
Provision for impairment of investment in DIC	-	29,189	(61,060)
Financing expenses (income), net	39,451	(894)	22,366
Taxes on income	10,772	1,858	111,260
	(593,844)	(34,935)	(650,981)
Changes in asset and liability items of the Company:			
Decrease (increase) in tenants	(4,438)	1,539	785
Decrease (increase) in debtors and debit balances	(12,237)	5,978	2,332
Related parties, net	(189)	495	189

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
	NIS thousands		
Decrease (increase) in long-term prepaid expenses	(430)	(1,012)	1,051
Increase (decrease) in deposits from tenants	(2)	37	(670)
Increase (decrease) in liabilities to suppliers and service providers	6,145	(3,244)	(2,119)
Increase (decrease) in creditors and credit balances	10,037	(459)	(25,768)
Increase (decrease) in lease liability	(83)	129	918
	(1,197)	3,463	(23,282)
Cash paid and received during the period for:			
Taxes paid	-	-	(10)
Taxes received	-	16	16
Dividend received	1,800	-	3,122
Interest paid	(47,953)	(33,595)	(126,464)
Interest received	10,867	23,638	103,287
	(35,286)	(9,941)	(20,049)
Net cash generated from the Company's operating activities	**59,122**	**37,045**	**150,023**

The attached additional information constitutes an integral part of the financial data and the separate financial information.

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Mega Or Holdings Ltd.

Financial data from the consolidated statements of cash flows attributed to the company

	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Cash flows from the company's investing activities			
Purchase of property, plant and equipment	(232)	(586)	(2,515)
Proceeds from disposal of property, plant and equipment	56	-	52
Investment in investment property and investment property under development	(51,416)	(76,697)	(564,386)
Withdrawal (deposit) of restricted cash, net	(23,292)	247,192	249,420
Deposits in banking institutions	-	(70,000)	-
Sale (purchase) of securities measured at fair value through profit or loss, net	(12,948)	(4,517)	822,607
Change in loans to others, net	(4,728)	2,663	3,766
Investment in companies accounted for using the equity method	-	-	(181,818)
Payment for the purchase of other investments	-	-	4
Granting loans to held companies	(355,606)	(79,540)	(428,581)
Collection of loans from held companies	23,430	18,414	121,821
Net cash provided by (used in) investing activities of the company	(424,736)	36,929	20,370
Cash flows from the company's financing activities			
Issuance of share capital (after deduction of issuance costs)	612,351	-	-
Dividend paid to company shareholders	(72,714)	(70,000)	(130,000)
Issuance of BONDS (after deduction of issuance costs)	-	344,823	808,980
Repayment of BONDS	(263,856)	(258,757)	(730,662)
Short-term credit from banking and other institutions, net	(54)	3,212	(101,514)
Issuance of commercial papers	-	-	589,376
Redemption of commercial papers	-	-	(189,546)
Repayment of lease	(118)	(107)	(446)
Receipt of long-term loans and other liabilities	27,904	40,399	198,651
Repayment of long-term loans and other liabilities	(1,125)	(2,281)	(73,875)
Net cash provided by financing activities of the company	302,388	57,289	370,964
Change in cash and cash equivalents	(63,226)	131,263	541,357

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	For the 3 months ended March 31		For the year ended December 31
	2026	2025	2025
	Unaudited		Audited
NIS thousands			
Balance of cash and cash equivalents at the beginning of the period	852,843	311,486	311,486
Balance of cash and cash equivalents at the end of the period	789,617	442,749	852,843

The accompanying additional information constitutes an integral part of the financial data and the separate financial information.

Mega Or Holdings Ltd.

Financial data from the consolidated statements of cash flows attributed to the company

	For the year ended December 31	For the 3 months ended March 31	
	2025	2025	2026
	Audited	Unaudited	
		NIS thousands	
Material non-cash activities of the company			
Investment in investment property, investment property under development and property, plant and equipment on credit	10,807	6,167	15,136

The accompanying additional information constitutes an integral part of the financial data and the separate financial information.

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1. **General**

This separate financial information is prepared in a condensed format as of March 31, 2026, and for the three-month period ended on that date, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic reports and Immediate Reports), 1970. This separate financial information should be read in context with the separate financial information on the company's annual financial statements as of December 31, 2025, and for the year ended on that date and the additional information accompanying them.

2. **Summary of Significant Accounting Policies**

Preparation format of the interim consolidated financial statements

The accounting policy applied in preparing this separate financial information is consistent with that applied in preparing the separate financial information as of December 31, 2025, except as stated in Note 2a to the consolidated statements.

3. **Significant events during the reporting period and thereafter**

Information regarding significant events was detailed in the consolidated statements in Note 4.

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Chapter D

Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure

פרק ד'

דוח רבעוני בדבר אפקטיביות הבקרה הפנימית של הנוגע הכספי והגילוי



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Quarterly report on the effectiveness of internal control over financial reporting and disclosure under Regulation 38C(a) of the Securities Regulations (Periodic and Immediate Reports), 1970:

Management, under the supervision of the Board of Directors of Mega Or Holdings Ltd. (hereinafter: the "Corporation"), is responsible for the determination and maintenance of adequate internal control over financial reporting and disclosure in the Corporation.

In this regard, the members of management are:

1. Tzachi Nahmias, Co-CEO.
2. Chaim Unglus, CFO.

Internal control over financial reporting and disclosure includes controls and procedures existing in the Corporation designed by the General Manager and the most senior officer in the finance field or under their supervision or by whoever actually performs said functions, under the supervision of the Corporation's Board of Directors, which are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the reports in accordance with the provisions of the law, and to ensure that information that the Corporation is required to disclose in the reports it publishes according to the provisions of the law is collected, processed, summarized and reported on the date and in the format prescribed by law. The internal control includes, among others, controls and procedures designed to ensure that information that the Corporation is required to disclose as stated, is accumulated and transferred to the Corporation's management, including to the General Manager and the most senior officer in the finance field or whoever actually performs said functions, in order to enable decisions to be made at the appropriate time, with reference to the disclosure requirements. Due to its structural limitations, internal control over financial reporting and disclosure is not intended to provide absolute assurance that a misleading presentation or omission of information in the reports will be prevented or detected.

In the annual report regarding the effectiveness of internal control over financial reporting and disclosure which was attached to the Periodic report for the period ended December 31, 2025 (hereinafter: "**the last Annual Report regarding Internal Control**"), the Board of Directors and Management evaluated the internal control in the Corporation. Based on this evaluation, the Board of Directors and the Corporation's management reached the conclusion that said internal control as of March 31, 2026, is **effective**.

Until the date of the report, no event or matter was brought to the attention of the Board of Directors and Management that would change the evaluation of the effectiveness of the internal control, as presented in the last Annual Report regarding Internal Control;

As of the date of the report, based on the evaluation of the effectiveness of the internal control in the last Annual Report regarding Internal Control, and based on information brought to the attention of Management and the Board of Directors as stated above: **the internal control is effective**;

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Management Declaration pursuant to Regulation 38C(d)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970.

I, Tzachi Nahmias, declare that:

1. I have examined the quarterly report of Mega Or Holdings Ltd. (hereinafter: the "**Corporation**") for the first quarter of 2026 (hereinafter: the "**Reports**");

2. To my knowledge, the Reports do not include any misrepresentation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances under which those representations were included, will not be misleading with reference to the period of the Reports;

3. To my knowledge, the financial statements and other financial information included in the Reports fairly reflect, in all material respects, the financial position, results of operations and cash flows of the Corporation for the dates and periods to which the Reports relate;

4. I have disclosed to the Corporation's Auditor, the Board of Directors and the Audit Committee and the Balance Sheet Committee of the Corporation's Board of Directors, based on my most recent evaluation of the internal control over financial reporting and disclosure:

4.1. All significant deficiencies and material weaknesses in the determination or operation of the internal control over financial reporting and disclosure that are reasonably likely to adversely affect the Corporation's ability to collect, process, summarize or report financial information in a way that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law; and-

4.2. Any fraud, whether material or immaterial, involving the General Manager or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure;

5. I, alone or together with others in the Corporation:

5.1. Determined controls and procedures, or ensured the determination and existence of controls and procedures, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements) 2010, is brought to my attention by others in the Corporation and the consolidated companies, particularly during the preparation period of the Reports; and -

5.2. Determined controls and procedures, or ensured the determination and existence of controls and procedures under my supervision, designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with the provisions of the law, including in accordance with accepted accounting principles;

5.3. No event or matter that occurred during the period between the date of the last report (quarterly or periodic, as the case may be) and the date of this report has been brought to my attention, which would change the conclusion of the Board of Directors and Management regarding the effectiveness of the internal control over financial reporting and disclosure of the Corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, according to any law.

Date: May 19, 2026 Signature Name and Title: Tzachi Nahmias - Co-CEO

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Management Declaration pursuant to Regulation 38C(d)(2) of the Securities Regulations (Periodic and Immediate Reports), 1970.

I, Chaim Unglus, declare that:

1. I have examined the interim financial statements and the other financial information included in the reports for the interim period of Mega Or Holdings Ltd. (hereinafter: the "**Corporation**") for the first quarter of 2026 (hereinafter: the "**Reports**" or "**Interim Reports**");

2. To my knowledge, the Reports and other financial information included in the Interim Reports do not include any misrepresentation of a material fact and do not lack a representation of a material fact necessary so that the representations included in them, in light of the circumstances under which those representations were included, will not be misleading with reference to the period of the Reports;

3. To my knowledge, the Reports and other financial information included in the Interim Reports fairly reflect, in all material respects, the financial position, results of operations and cash flows of the Corporation for the dates and periods to which the Reports relate;

4. I have disclosed to the Corporation's Auditor, the Board of Directors and the Audit Committees and the Balance Sheet Committee of the Corporation's Board of Directors, based on my most recent evaluation of the internal control over financial reporting and disclosure:

4.1. All significant deficiencies and material weaknesses in the operation of the internal control over financial reporting and disclosure, as it relates to the financial statements and other financial information included in the Interim Reports, which are reasonably likely to adversely affect the Corporation's ability to collect, process, summarize or report financial information in a way that casts doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law; and-

4.2. Any fraud, whether material or immaterial, involving the General Manager or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure;

5. I, alone or together with others in the Corporation:

5.1 Determined controls and procedures, or ensured the determination and existence of controls and procedures under our supervision, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, as far as it is relevant to the financial statements and other financial information included in the Reports, is brought to my attention by others in the Corporation and the consolidated companies, particularly during the preparation period of the Reports and -

5.2 Determined controls and procedures, or ensured the determination and existence of controls and procedures under our supervision, designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with the provisions of the law, including in accordance with accepted accounting principles;

5.3 No event or matter that occurred during the period between the date of the last report (quarterly or periodic, as the case may be) and the date of this report has been brought to my attention, which would change the conclusion of the Board of Directors and Management regarding the effectiveness of the internal control over financial reporting and disclosure of the Corporation.

Nothing in the above shall derogate from my responsibility or the responsibility of any other person, according to any law.

Date: May 19, 2026 Signature Name and Title: Chaim Unglus – CFO

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To

The Board of Directors of

Mega Or Holdings Ltd. (the "Company")

Address: Shilat Industrial Zone 73188

Dear Sirs,

Subject: Consent letter regarding the Company's shelf prospectus from November 2024

We hereby inform you that we agree to the inclusion (including by way of reference) of our reports listed below in connection with the Company's shelf prospectus published in November 2024:

1. Auditor's review report dated May 19, 2026, on condensed consolidated financial information of the Company as of March 31, 2026, and for the three-month period ended on that date.

2. Auditor's special report dated May 19, 2026, on condensed separate financial information of the Company as of March 31, 2026, and for the three-month period ended on that date in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel Aviv,

May 19, 2026

Kost Forer Gabbay & Kasierer

Accountants