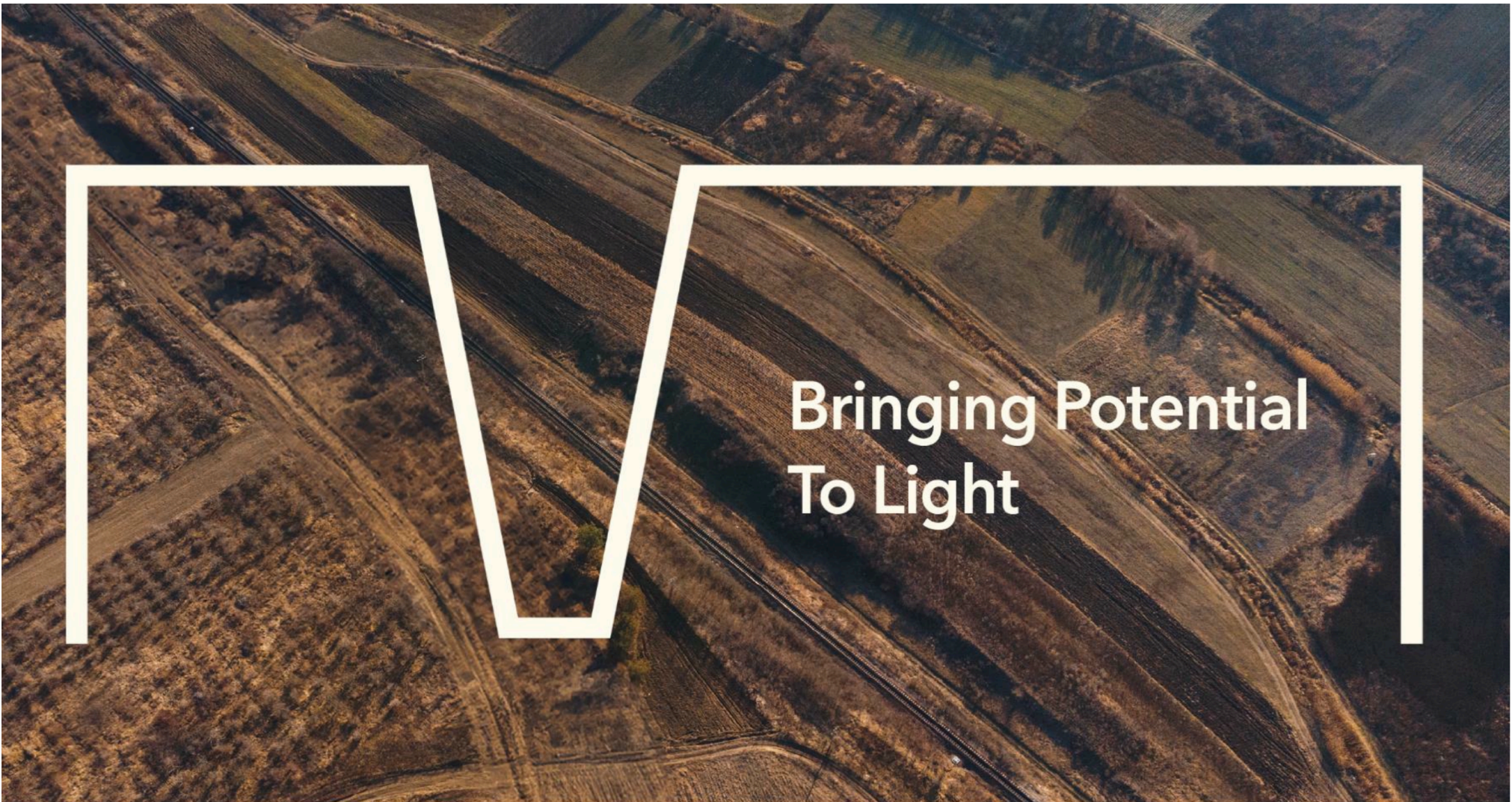




**Mega Or Holdings Ltd.**

**Report for the Period Ended  
on March 31, 2026**

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# Chapter A

## Board of Directors Report

As of March 31, 2026





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

The Board of Directors of Mega Or Holdings Ltd. Group ("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 honored 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 the year 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, the terms used herein 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 it 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 Property - Logistics centers, industrial buildings, commercial centers, and yielding lands**

During the report period, the Group continued to focus its business activities on real estate entrepreneurship, in the acquisition, development, and construction of buildings on land (via performance 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 square meters occupied at high occupancy rates of approximately 99%, and 6 properties under construction with an area of approximately 217 thousand square meters.

**(2 Investment Property - 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 MW IT, as well as Data Center facilities under construction with a total capacity of 313 MW IT. 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 designation allows for various uses, including the use of Data Centers. 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 the year 2025.



**(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 Lands 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 which do not amount to a field of activity, as detailed below:

A. **Energy activity** - The Company is engaged in energy activity, including renewable energy activity 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 further information regarding the energy activity of the Group, see sections 26.2 and 38.3 of the Periodic report.

B. **Real Estate Investment Financing** – As of the report date, the Company is entitled to receive rent payments from the Israel Police for a property in Ariel as part of a BOT transaction, for a period of 24 years and eleven months, beginning on November 15, 2019, which is presented in the financial statements 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 a total amount of approximately NIS 297,841 thousand, which are presented in the Company's financial statements 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 invested through Mega D.C. in private start-up companies (whose securities are not marketable) in amounts that are not material to the Company.

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

**The Business Environment**

Following the stated in section 8 of Chapter A of the Periodic report (Description of the 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. Additionally, at the beginning of March 2026, the fighting front against the Hezbollah terror 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 Israeli home front, where in all areas of the country, activity levels were 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, should it resume as stated. The resumption of fighting may have a material adverse effect on the state of the economy in Israel, which could affect the Group's activity.

### **Implications of the Operation on the Group's activity**

The implications of the Operation are only on the Group's shopping centers, as while the logistics centers and Data centers operated normally during the Operation, some of the stores in the Group's shopping centers that 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 debt relief to its tenants and granted negligible relief to tenants in specific cases only. It should be noted that in the Company's shopping centers joint with Big, a broad relief outline was formulated for tenants for the Operation period. 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 providing additional relief beyond the aforementioned.

According to the macro-economic forecast of the Research Division of the Bank of Israel from March 2026 ("**Bank of Israel Forecast**")<sup>1</sup>, 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 be 2.3%, noting that the rise in oil prices contributes to an increase in the inflation environment in the short term, and on the other hand, there are expectations for a decrease in oil prices after the end of the Operation, for relief in supply constraints, and for a decrease in uncertainty, leading to an assessment of moderating 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 regarding the impact of the bank of Israel interest on the Company's activity, see this section below.

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<sup>1</sup> <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 summarized as follows: A. No further round of fighting will occur in the forecast period but defense expenditures will be required in 2027 and onwards to prepare for such a round. B. Energy prices will decrease slightly with the end of fighting but will remain higher than their level before the start of the fighting.



7

Chapter A – Board of Directors Report Q1 2026

During the report period, the strong appreciation trend of the Shekel which began in 2025 continued. The strengthening of the Shekel against foreign currencies may lead to a reduction in the construction costs of 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 maintaining Israel's credit rating at A without change and that it is maintaining a "stable" rating outlook.

Impact of the decrease in the Consumer Price Index

The Company's BONDS are linked to the Index and bear annual interest that is also linked to the Index. Therefore, the decrease in the Index led to a decrease in the Company's financing costs. Conversely, the Company's income-producing real estate assets are leased under Index-linked lease agreements, which led to a decrease in the Company's income from their leasing and a decrease in the fair value of the Company's assets subject to these agreements. The Company estimates that these mechanisms constitute long-term inflationary protection.

Impact of the decrease in the interest rate

As of the report date, the Company has loans and commercial papers at variable interest. In the Company's assessment, interest rate increases/decreases (if any) will not materially affect the Company's results since most of the Company's income is linked to the Index, which is the main factor for increasing the interest rate. It should be noted that an increase in interest rates in Israel may have an impact both on the cost of raising new credit (including the BONDS the Company may issue) and on the cost of debt recycling of existing credit (by the end of 2026, the Company is expected to repay or act to recycle credit and BONDS in a total scope of NIS 0.9 billion (not including non-marketable commercial papers totaling approximately NIS 330 million), of which NIS 478 million is at fixed interest).

The following table summarizes the credit balances (from banks and other financial entities) of the Company as of March 31, 2026 (in millions of NIS):

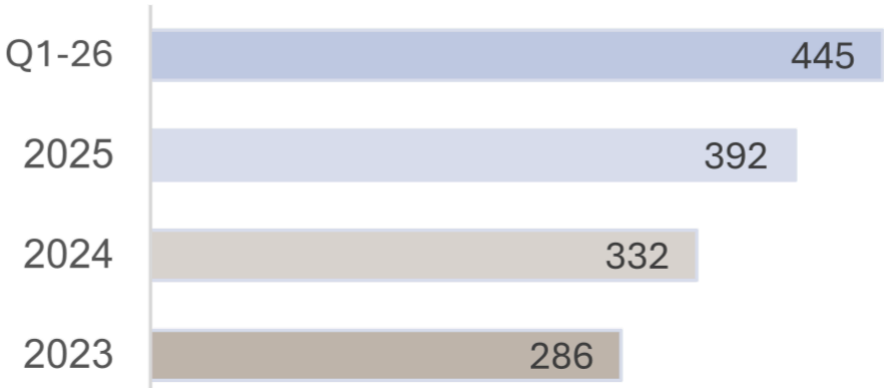
| Credit type                                                           | 31.03.2026 |                  | 31.12.2025 |                  |
|-----------------------------------------------------------------------|------------|------------------|------------|------------------|
|                                                                       | Amount     | Average interest | Amount     | Average interest |
| BONDS (including current maturities) linked to Index – 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          |                  |

The Company's assessments as detailed above regarding trends, events and developments in the Company's macro-economic environment which in the Company's assessment 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 increase, constitute forward-looking information, as defined in the Securities Law, 1968 (hereinafter: the "Securities Law"). This information is based, among other things, on the Company's assessments and estimates as of this report date, based on information available to the Company at the time of publication of this report. The realization of such assessments and estimates is uncertain and is not under the Company's control, and therefore the actual results and implications may differ even materially from the above.

Performance summary for the first three months of 2026

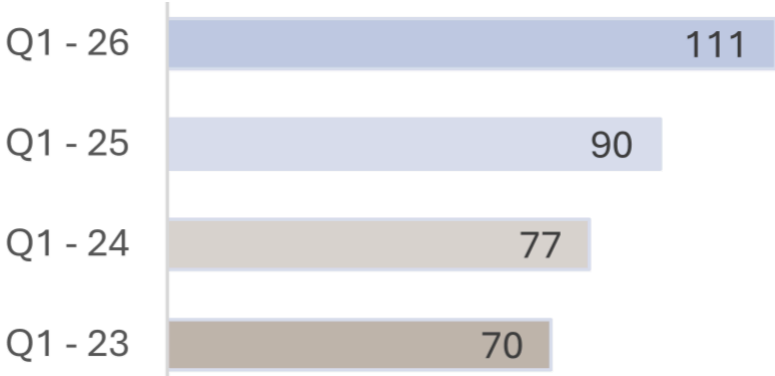
Actual NOI - Owners' share

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



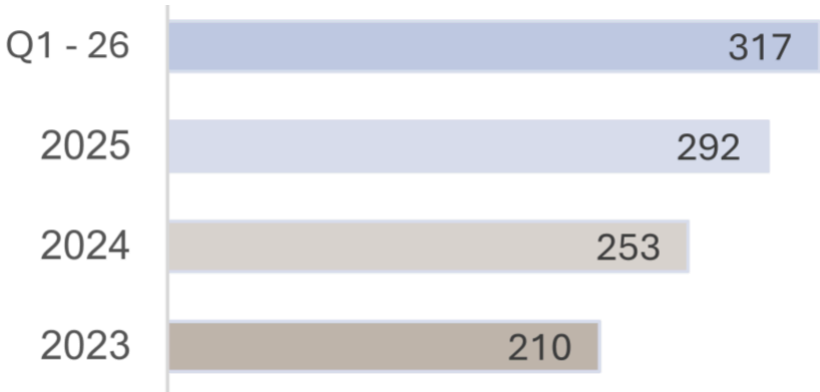
Actual Quarterly NOI - Owners' share

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



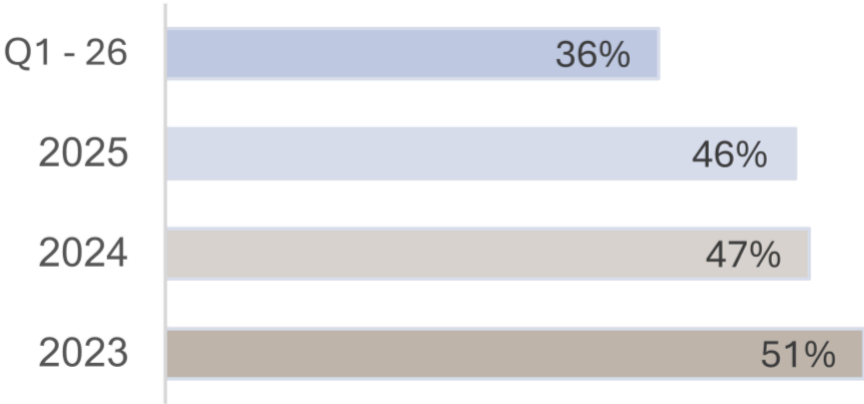
FFO according to management approach

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



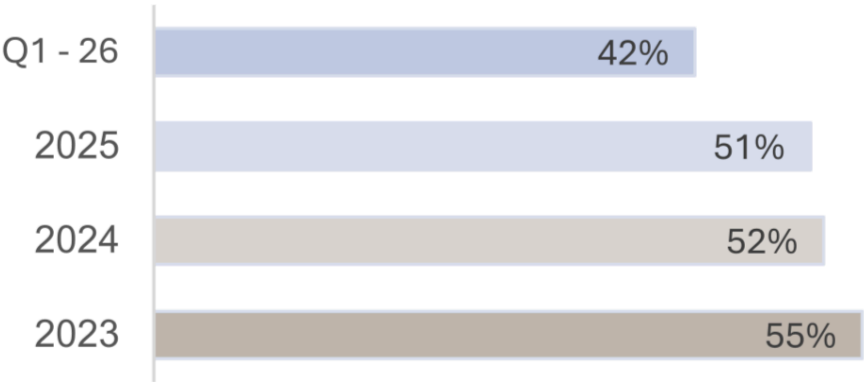






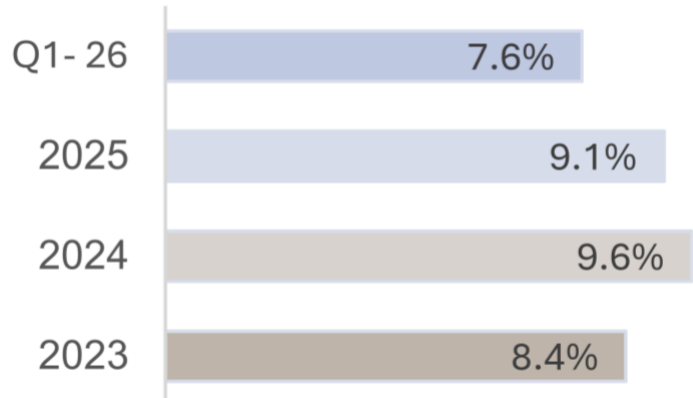
**LTV (Ratio of Debt to Group Asset Value)**

The LTV rate for the end of the first quarter of 2026 decreased by approximately 22% compared to the end of 2025.



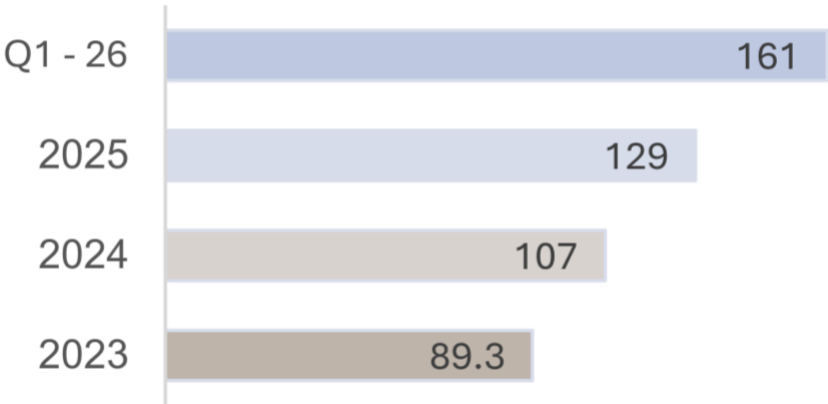
**Ratio of Debt to Debt and Equity of the Company**

The ratio of debt to debt and equity of the company decreased by approximately 18% compared to the end of 2025.



**FFO Yield on Equity Rate**

The FFO yield on equity rate decreased to a rate of 7.6% in the first quarter of 2026



**NAV according to Management Approach**

The NAV according to management approach at the end of the quarter totaled NIS 161 per share, an increase of approximately 25% from the end of 2025



Income-Generating Assets Portfolio

Breakdown of asset mix by risk and return characteristics as of 31.03.2026

|                                     | Area  | Occupancy Rate | Value Attributed to Income-Generating | Representative NOI | NOI for the report period in annual terms | Growth in actual NOI | Average Rent    | Weighted Yield Rate |
|-------------------------------------|-------|----------------|---------------------------------------|--------------------|-------------------------------------------|----------------------|-----------------|---------------------|
|                                     | k sqm |                | NIS millions                          | NIS millions       | NIS millions                              | % relative to 2025   | Monthly per sqm | %                   |
| Logistics Centers                   | 617   | 100%           | 3,806                                 | 259                | 260                                       | *8.8%                | <u>57</u>       | 6.8%                |
| Commercial Centers                  | 225   | 98%            | 1,752                                 | 120                | 111                                       | **(4.6%)             | <u>95</u>       | 6.9%                |
| Data Center                         | 5     | 100%           | 390                                   | 37                 | 37                                        | 100%                 | 782             | 9.4%                |
| Lots                                | 158   | 100%           | 483                                   | 21                 | 21                                        | ***80.1%             | <u>15</u>       | 4.4%                |
| Photovoltaic Systems and Wind Farms | -     | -              | -                                     | 35                 | 13                                        | 32.8%                | -               | -                   |
| Total                               | 1,005 | 99%            | 6,431                                 | 472                | 442                                       | 14.1%                | -               | -                   |

\* The increase in NOI is attributed to the acquisition of the Iscor complex in Kiryat Gat (NOI addition of approx. NIS 9 million per year) as well as the occupancy of the Controp management center with an area of approx. 29,500 sqm (NOI addition of approx. 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 decrease in the Consumer Price Index, and compensation received for the BIG Mega Or Upper Galilee center in 2025 for a period when the asset was closed during the Iron Swords War. On the other hand, an increase in NOI was recorded due to the occupancy of BIG Mega Or Migdal HaEmek with an area of approx. 11,000 sqm (NOI addition of approx. NIS 3.2 million per year), and the occupancy of Jumbo Beer Sheva (NOI addition of approx. NIS 4.6 million per year).

\*\*\* As of January 1, 2026, the company began receiving rental income for lot 502 M.A. Yoav which is classified in the financial reports for March 31, 2026, under the Investment property under development section.

Assets under Initiation and Development

The company views growth through acquisition, initiation, and development of assets as the best potential for growth and profit enhancement and regularly examines opportunities for acquiring new assets in the company's core activities.

Below are projects in various stages of planning and construction which are expected to increase the group's asset volume by a total of approx. NIS 13 billion:

Data Centers under Construction

| Project           | Company's Share | Location         | Ordered Capacity | Capacity |
|-------------------|-----------------|------------------|------------------|----------|
| MDCIL-1 Phase B   | 100%            | Modi'in          | 100%             | 9MWIT    |
| MDCIL-2           | 100%            | M.A. Yoav        | *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%            | M.A. Bnei Shimon | -                | 60MWIT   |

\* The remaining 25% are reserved for the customer as part of 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). Expected NOI from Data Centers activity is a total of approx. NIS 1 billion per year (NOI totaling approx. NIS 460 million per year is according to signed agreements).

| Asset Name                               | Ownership Share | Region            | Leasable Area | Estimated Construction Completion (Form 4) | Anchor Tenant              | Net Project Value in Company Books as of 31.03.26 (NIS millions) | Estimated 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                                   |
| Mahlev Yesodot Logistics Center          | 74%             | Yesodot           | 6,450         | Q4/2026                                    | Mahlev                     | 29                                                               | 13                                       | 3                                    |
| Fox Group Main Logistics Center          | 33%             | Har Tuv           | 74,000        | Q1/2027                                    | Fox                        | 131                                                              | 85                                       | 16                                   |
| Yish'i                                   | 74%             | M.A. Mateh Yehuda | 62,000        | Q4/2027                                    | -                          | 204                                                              | 249                                      | 30                                   |
| Timorim                                  | 50%             | Timorim           | 19,160        | Q1/2028                                    | Gad Dairies                | 6                                                                | 145                                      | 10                                   |
| Commercial Centers                       |                 |                   |               |                                            |                            |                                                                  |                                          |                                      |
| Jumbo Store Eco Park South Sharon        | 50%             | South Sharon      | 15,000        | Q2/2027                                    | Jumbo                      | 20                                                               | 39                                       | 5                                    |
| Owners' Share                            |                 |                   | 217,210       |                                            |                            | 639                                                              | 542                                      | 80                                   |

MEGA OR

Renewable Energy Abroad



| Project       | Company's Share | Location | Capacity | Expected Operation 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                                             |

Land for Future Development - Data Centers

| Land Name         | Ownership Share | Region           | Capacity | 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%            | M.A. Bnei Shimon | 120MWIT  | *                                                         |
| MDCIL-6           | 100%            | M.A. Yoav        | 40MWIT   | **                                                        |
| MDCIL-7           | 100%            | M.A. Yoav        | -        | 181                                                       |
| MDCIL-8           | 100%            | Hadera           | -        | ***                                                       |
| Owners' Share     |                 |                  | 280MWIT  | 207                                                       |

\* Represents an amount less than NIS 1 million.

\*\* The lands appear within the Investment property under development section.

\*\*\* Real estate acquired in April 2026, after the report period, with an area of approx. 180 dunams, for a total of approx. NIS 1 billion.

Land for Future Development - Logistics Centers / Industrial Buildings

| Land Name                    | Ownership Share | Region                | Plot Area (k sqm) | Land Value in Company Books as of 31.03.26 (NIS millions) | Land Designation                 |
|------------------------------|-----------------|-----------------------|-------------------|-----------------------------------------------------------|----------------------------------|
| Neve Yamin Employment Center | 74%             | Eco Park South Sharon | 60                | 7                                                         | Employment, industry and offices |
| Neve Yamin Employment Center | 100%            | Eco Park South Sharon | 40                | 9                                                         | Employment, industry and offices |
| Ein Tzurim Logistics Center  | 74%             | Kibbutz Ein Tzurim    | 47                | 1                                                         | Logistics and storage            |
| Open Storage Beit Shemesh    | 39%             | Beit Shemesh          | 112               | 37                                                        | Open storage                     |
| Holit Logistics Center       | 74%             | Kibbutz Holit         | 50                | 1                                                         | Logistics and storage            |
| El'ad Logistics Center       | 100%            | Moshav Mazor          | 27                | 34                                                        | Logistics and storage            |
| Hagor Commercial Center      | 74%             | Moshav Hagor          | 18                | 1                                                         | Commerce                         |
| Owners' Share                |                 |                       | 354               | 90                                                        |                                  |





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 shares of DIC, representing 29.9% of DIC shares.

As noted in the Periodic report, the Company's 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 of the Description of the Corporation's Business chapter).

| Review 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 value in the books                          | 497,186              |       |
| Fair value of investment as of March 31, 2026          | 306,997              | (24%) |
| Fair value of investment as of report publication date | 319,480              | (21%) |

Financial  
Management

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

The guiding principles in financial debt management are: 1. Diversification of financing 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 lines from banking sources (including non-tradable commercial papers and tradable commercial papers).

The Company's Financial Leverage

We examine the optimal debt framework for the Company and its suitability to the business environment in which we operate. The nature of our activity, the industry diversification of our tenants, and the long duration of lease agreements in the logistics centers field, alongside the reduction in leverage carried out in recent years, contributed to the reduction of the Company's risks, and alongside this, we maintained a level of leverage 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

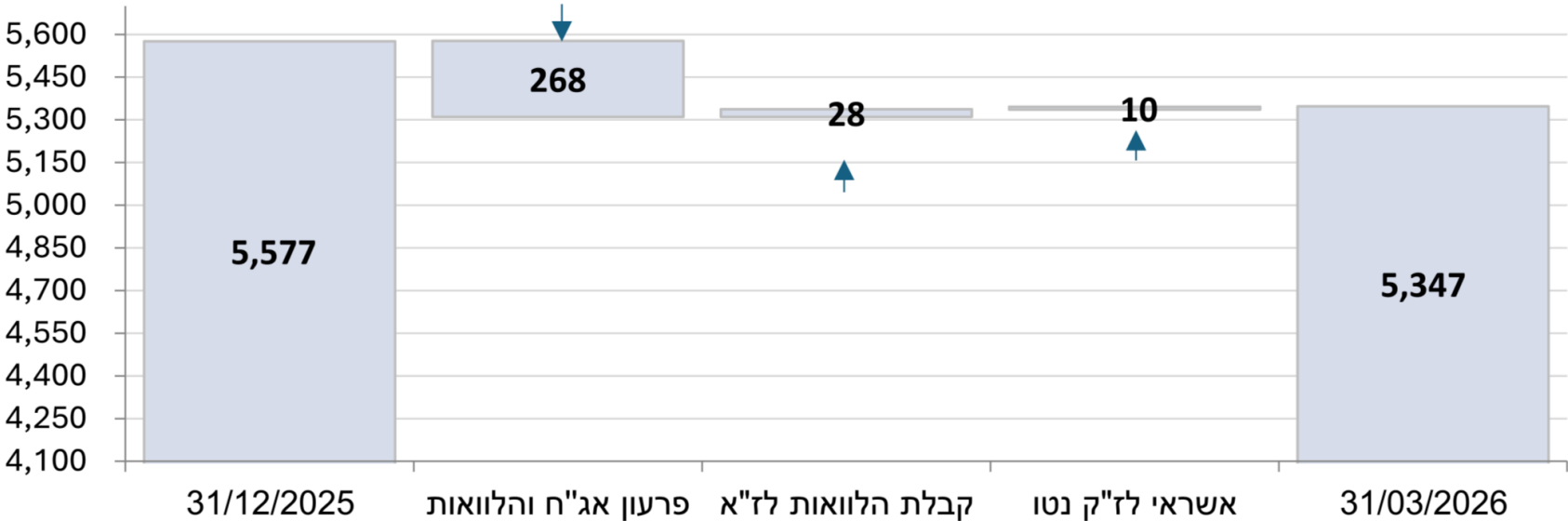
The structure of the Company's debt raisings is determined as much as possible such that current principal repayments (without secured debt components) will be within the annual FFO range, so that even in situations where accessibility to the capital market may be limited, no problem in debt service will arise.

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

The Company has unutilized approved credit lines in the amount of approximately NIS 175 million. Additionally, the Company has a volume of unencumbered yielding assets worth 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 (Expanded Consolidated)



Balance of Debt Principal Repayment Schedules\* Over the Years (in NIS millions)



LTV

61%



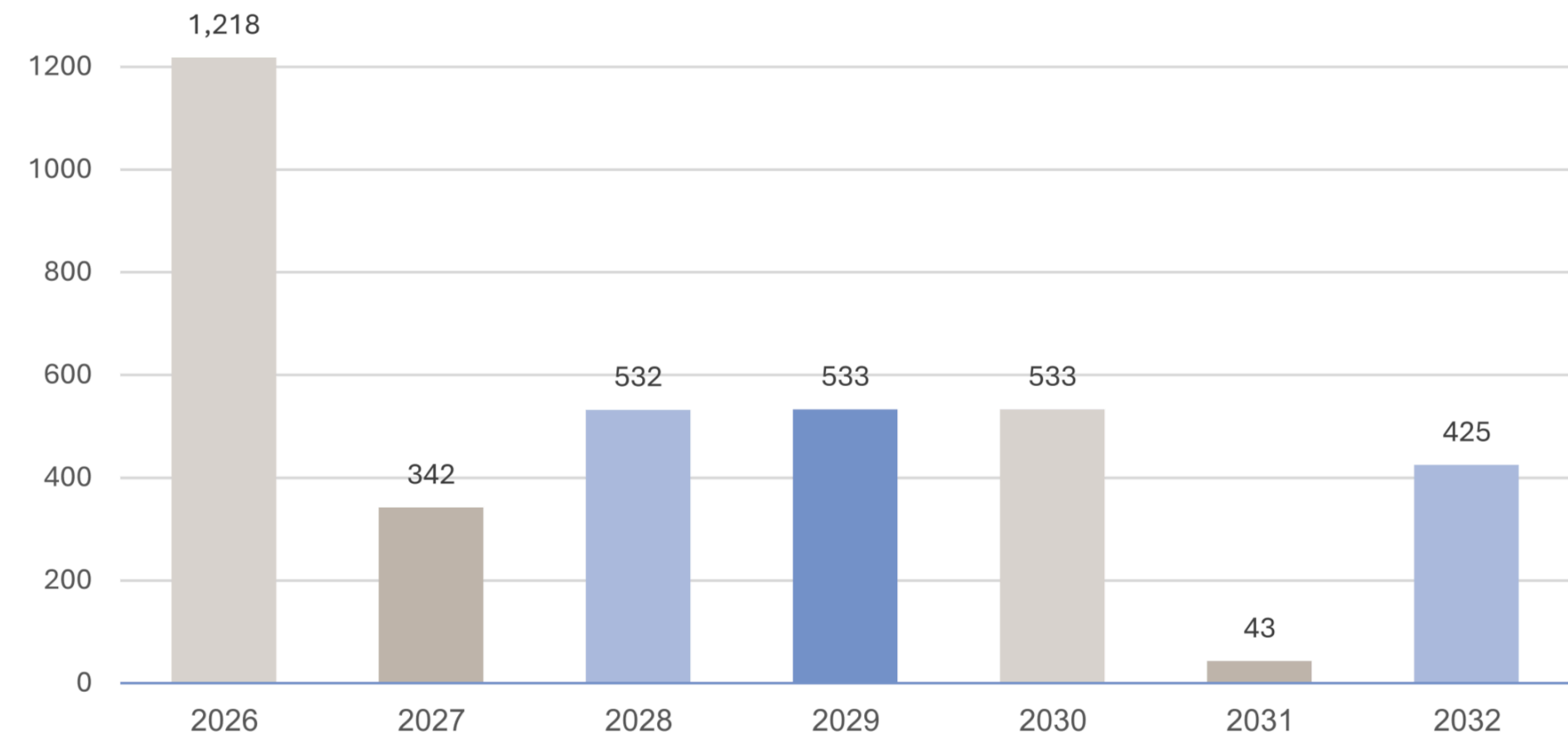
| Financing Source                                              | Secured by Asset | Duration | Weighted Effective Interest | Debt Type | 2026  | 2027  | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 and onwards | Total par value linked balance 03.31.2026 |
|---------------------------------------------------------------|------------------|----------|-----------------------------|-----------|-------|-------|------|------|------|------|------|------|------------------|-------------------------------------------|
| 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                                       |
| 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 K                                                      | No               | 4.9      | 1.71%                       | Linked    | 21    | 42    | 42   | 42   | 42   | 42   | 424  | -    | -                | 655                                       |
| Series L                                                      | Yes              | 4.4      | 3.27%                       | Linked    | -     | -     | -    | 71   | 71   | 71   | 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 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                                     |

\* Debt principal balance is index-linked

Debt Principal Repayment Schedule Balance Over the Years (in NIS millions)

Current Principal Repayment Rate

Excluding debt components secured by lien



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, recycling the debt against its re-lien under favorable terms.

The cash flow stability that the Company's assets generate, together with the financial strategy, allow the Company to finance its activities under competitive financing terms from a variety of available sources.

| Scope 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 investment property value and investment in shares (BIG and DIC) | 18%             |
| Ratio of secured debt to encumbered investment property value (LTV ratio in encumbered assets)  | 61%             |



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.

Debt repayment schedule of principal balance over the years (in NIS millions)

|                                                   | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033 | 2034 and 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 3,318 million NIS) is at a rate of approximately 3.1%.



Group's leverage ratio:  
LTV (Loan To Value)

|                                                                    | 31.03.2026  | 31.12.2025  | 31.12.2024 | 31.12.2023 |
|--------------------------------------------------------------------|-------------|-------------|------------|------------|
| in NIS thousands                                                   |             |             |            |            |
| Total financial debt (expanded consolidated)                       | 5,347,434   | 5,576,673   | 4,997,278  | 4,692,973  |
| Less balances (from expanded 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 deposits in trust                                 | (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 (expanded consolidated)                   | 3,716,991   | 4,065,502   | 3,471,065  | 3,287,690  |
| Investment property and under construction (expanded 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      |
| Investment on equity and fair value basis                          | 756,340     | 723,566     | 604,719    | 573,094    |
| Total real estate and investments (expanded consolidated)          | 10,222,208  | 8,861,481   | 7,360,395  | 6,422,502  |
| LTV ratio (Loan To Value)                                          | 36%         | 46%         | 47%        | 51%        |

Summary of main changes in leverage ratio during the reporting period

|                                                               |      |
|---------------------------------------------------------------|------|
| LTV rate calculated for December 31, 2025                     | 46%  |
| Investment property and investment property under development | (1%) |
| Issuance of shares less dividend paid                         | (7%) |
| Other                                                         | (2%) |
| Calculated LTV rate for March 31, 2026                        | 36%  |

Explanation for the change in LTV level during the period

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

Issuance of share capital totaling approximately 612 million NIS decreased the LTV rate by approximately 7%.

An increase in the fair value of yield-generating and under-construction investment properties totaling approximately 826 million NIS contributed to a decrease in the LTV rate by approximately **4%**.



Credit Rating

On August 11, 2020, Maalot announced the confirmation of the company's rating at 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 confirmation of the company's issuer rating at ilA+/stable

On August 11, 2022, Maalot announced the confirmation of the company's issuer rating at ilA+/stable

On July 31, 2023, Maalot announced the confirmation of the company's issuer rating at ilA+/stable

On July 25, 2024, Maalot announced the confirmation of the company's issuer rating at ilA+/stable

On July 14, 2025, Maalot announced the confirmation of the company's issuer rating at ilA+/stable

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

NOI

Review of performance indicators

(Net Operating Income)

Below is information regarding the NOI (Profit from property rental and operation, excluding depreciation and amortization) of the Group.

According to the company management's assessment, NOI is one of the most important parameters in valuations of yield-generating 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 indications for determining the value of the property (in addition to other indications such as: market value of similar properties in the same area, sale prices per square meter derived from recent transactions, etc.). Additionally, the NOI figure is used to measure the free cash flow available to service financial debt taken to finance the property acquisition, after investments in improvements and maintenance (Capex) are offset from the NOI. It is emphasized that the NOI:

- a. Does not present cash flows from operating activities according to accepted accounting principles.
- b. Does not reflect cash available to finance all of the Group's cash flows, including its ability to make distributions.
- c. Should not be considered a substitute for net profit for evaluating the results of the Group's operations.

The quarterly NOI evolution (in NIS thousands):

|                                              | Quarter 1 2026   | Quarter 4 2025 | Quarter 3 2025 | Quarter 2 2025 | Quarter 1 2025 |
|----------------------------------------------|------------------|----------------|----------------|----------------|----------------|
|                                              | in NIS thousands |                |                |                |                |
| NOI from existing properties (same property) | 94,344           | 95,811         | 97,952         | 92,709         | 90,758         |

|                                                            | Quarter 1 2026   | Quarter 4 2025 | Quarter 3 2025 | Quarter 2 2025 | Quarter 1 2025 |
|------------------------------------------------------------|------------------|----------------|----------------|----------------|----------------|
|                                                            | in NIS thousands |                |                |                |                |
| 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 NOI owners' share                                    | 111,252          | 108,538        | 99,784         | 93,887         | 90,132         |

NOI from existing properties (same property) in the first quarter of 2026 totaled approximately 94,344 thousand NIS, 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 while increasing rent and the rise in the Consumer Price Index, net of concessions given to tenants in the 'Lion's Roar' campaign in centers shared with BIG, totaling approximately 1,050 thousand NIS.

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 stems from the occupancy of BIG MEGA OR Migdal HaEmek, occupancy of Jumbo Beer Sheva, acquisition of Iskoor complex, operation of Data Center Phase A Plot 62 in Modi'in, occupancy of Controp management center, receiving rent for Plot 502 Yoav Regional Council, net of concessions given to tenants in the 'Lion's Roar' campaign, growth attributed to the signing of new contracts and the exercise of options in existing contracts while increasing rent and the rise in the Consumer Price Index.

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MEGA OR

FFO  
(FUNDS FROM  
OPERATIONS)

For the purpose of providing additional information on the results of operations, the FFO (Funds From Operations) index is presented below. This index is commonly used worldwide and provides a proper basis for comparison between yielding real estate companies. The index was published by NAREIT (the Association of REIT Companies in the USA) and, as defined, expresses net reported profit, excluding income and expenses from the increase/decrease in the value of real estate and one-time income/expenses, and plus 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 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 represent 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 rules.

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

|                                                                                        | Change from<br>corresponding<br>period | Q1 2026  | Q1 2025  | 2025     |
|----------------------------------------------------------------------------------------|----------------------------------------|----------|----------|----------|
| In thousands of NIS                                                                    |                                        |          |          |          |
| Total NOI owners' share                                                                | 21,120                                 | 111,252  | 90,132   | 392,341  |
| Less owners' share of the following expenses:                                          |                                        |          |          |          |
| G&A (excluding depreciation and share-based payment)                                   |                                        | (10,860) | (9,106)  | (34,579) |
| Real interest expenses on financial debt                                               |                                        | (4,674)  | (12,309) | (53,759) |
| Excluding non-cash real financing income (expenses) due to amortization of excess cost |                                        | (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's approach                       | 12,321                                 | 79,148   | 66,827   | 291,706  |
| Growth rate                                                                            |                                        | 18%      |          |          |

The 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 21,120 thousand NIS, less a decrease in dividends received from marketable securities in the amount of approximately 2,157 thousand NIS, less an increase in G&A expenses in the amount of approximately 1,754 thousand NIS, plus a decrease in real interest expenses on financial debt in the amount of approximately 7,635 thousand NIS, less an increase in non-cash real financing expenses in the amount of approximately 3,751 thousand NIS, and less an increase in current tax expenses in the amount of approximately 8,772 thousand NIS.

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

**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 2,714 thousand NIS, less an increase in G&A expenses in the amount of approximately 4,977 thousand NIS (increase in salary expenses), plus a decrease in real interest expenses on financial debt in the amount of approximately 10,477 thousand NIS, less a decrease in real financing expenses due to amortization of excess cost of approximately 637 thousand NIS, and less an increase in current tax expenses in the amount of approximately 8,297 thousand NIS.**

**Weighted Capitalization Rate (CAP RATE)**

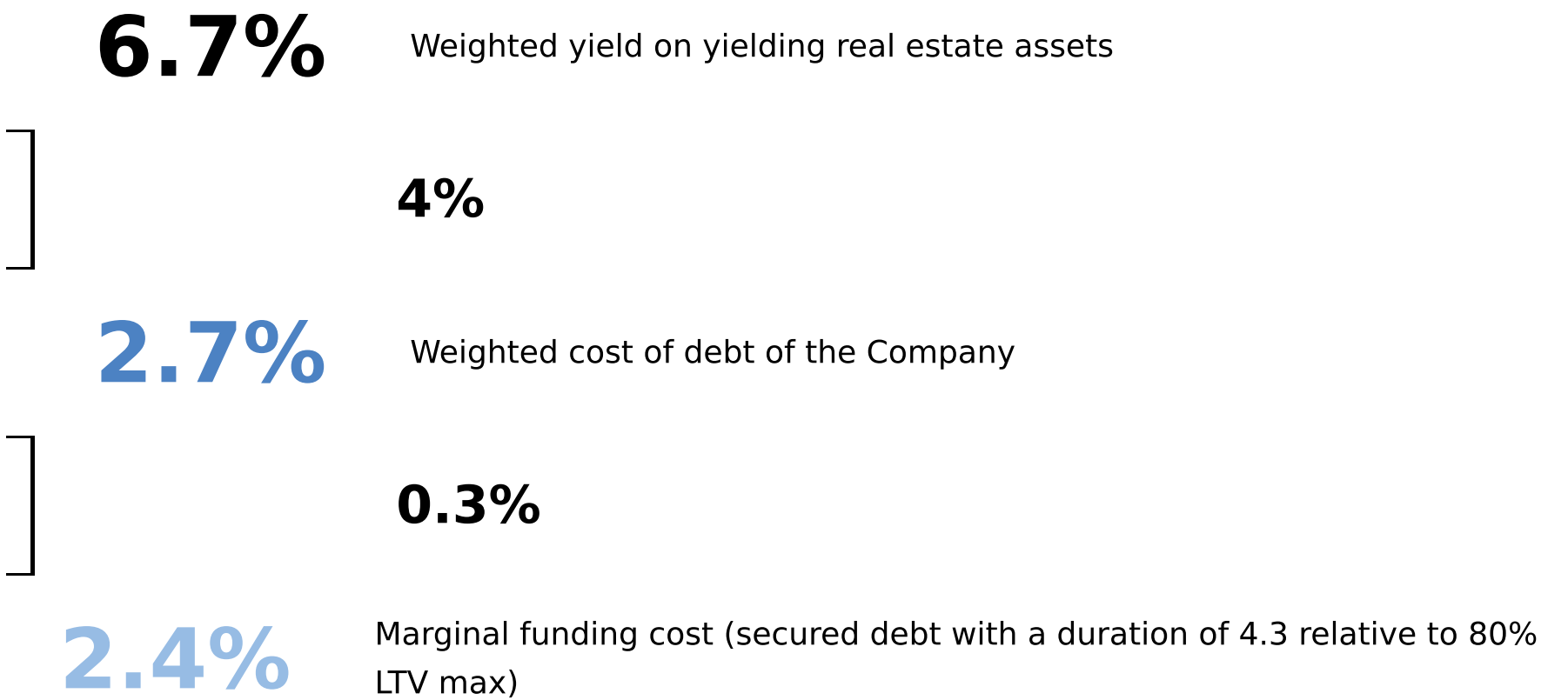
Below is the calculation of the non-audited weighted capitalization rate (CAP RATE) derived from all of the Group's yielding real estate as of March 31, 2026:

| Owners' Share (Expanded Consolidated)                                              | Thousands of NIS |
|------------------------------------------------------------------------------------|------------------|
| Yielding investment property as of March 31, 2026                                  | 6,547,347        |
| Plus yielding real estate appearing within yielding real estate under construction | 260,442          |
| Less value of lands classified as yielding real estate under construction          | (1,465)          |
| Less – value attributed to vacant areas                                            | (9,460)          |
| Less – value of additional building rights                                         | (32,615)         |
| Less lease liabilities                                                             | (59,709)         |
| <b>Investment property attributed to leased areas as of March 31, 2026</b>         | <b>6,704,540</b> |
| NOI Q1 2026                                                                        | 115,069          |
| Less interest income from loans to others and solar systems                        | (3,782)          |
| NOI Q1 2026 attributed to leased areas                                             | 111,287          |
| Annual NOI based on Q1 2026 NOI                                                    | 445,148          |
| Expected NOI for rent adjustments based on signed lease agreements                 | 7,352            |
| <b>Total adjusted expected annual NOI</b>                                          | <b>452,500</b>   |
| <b>Weighted yield rate derived from yielding investment real estate (Cap Rate)</b> | <b>6.7%</b>      |

- 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 2026.



Spread between Yield Rate and Cost of Debt



Financial Review of the Company's Results

The Group's financial statements are prepared in accordance with IFRS standards, according to which the profit after tax results of jointly controlled companies are presented in a single line "Company's share in profits of companies accounted for using the equity method, net" and the net investments in these companies are presented in the balance sheet under the item investments in companies accounted for using 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 using 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                |
| G&A 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)              |
| Valuation of investments measured at fair value through profit or loss (BIG)       | (17,518)                            | -                                 | (17,518)              | (30,539)                            | -                                 | (30,539)              |
| Profit before income taxes                                                         | 894,895                             | 3,599                             | 898,494               | 85,369                              | 4,950                             | 90,319                |
| Income taxes                                                                       | (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 G&A expenses                                             | (1,558)      | (1,369)               |
| Decrease in other expenses, net                                      | 29,310       | 29,310                |
| Decrease in financing expenses, net                                  | 53,584       | 55,012                |

**Increase in gross profit from property rental** - Attributed to the increase in the company's yielding property portfolio (population of Jumbo Beersheba store, acquisition of the Iskoor complex in Kiryat Gat, operation of Data Center in plot 62 phase A, population of Controp management center, as well as leasing of land in M.A Yoav) and an increase attributed to the signing of new contracts and exercise of options in existing contracts while increasing rent and the Consumer Price Index.

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

**Increase in G&A expenses** - Attributed to an increase in salary expenses (increase in manpower and increase in share-based payment due to the allocation of options to employees).

**Decrease in other expenses, net** - Attributed to the loss from the devaluation of DIC (Daskash) 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 1 million NIS plus a decrease in loss from the sale of marketable securities in the amount of approximately 58 million NIS compared to a loss of approximately 67 million NIS in the corresponding period last year and plus profit from the valuation of other investments presented at fair value in the amount of approximately 46 million NIS in the quarter.

**Decrease in equity profits** - Attributed to equity losses of BIG Mega Renewable Energy Ltd and a decrease in equity profits of DIC (Daskash).

| Changes in owners' profit compared to corresponding period last year                     | Consolidated | Expanded Consolidated |
|------------------------------------------------------------------------------------------|--------------|-----------------------|
| Increase in valuation of investments measured at fair value through profit or loss (BIG) | 13,021       | 13,021                |
| Decrease in equity profits                                                               | (43,543)     | (36,876)              |
| Increase in income tax expenses                                                          | (199,329)    | (197,978)             |
| Increase in minority share in profit                                                     | 794          | 794                   |
| Attributed to 1-3/2026                                                                   | 689,449      | 689,449               |

**Increase in income taxes** - Attributed mainly to the update of deferred taxes due to the valuation of investments measured at fair value through profit or loss.

|                                                                                      | For the period ended on 31.03.2026 |                                    |                       | For the period ended on 31.12.2025 |                                    |                       |
|--------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-----------------------|------------------------------------|------------------------------------|-----------------------|
|                                                                                      | Consolidated                       | Plus companies under joint control | Expanded Consolidated | Consolidated                       | Plus companies under joint control | Expanded 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)           |
| Less 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)             |
| Balance of other non-current assets                                                  | 9,813                              | 173                                | 9,986                 | 8,785                              | 165                                | 8,950                 |
| Balance of other non-current liabilities                                             | (320,082)                          | (23,934)                           | (344,016)             | (117,196)                          | (25,541)                           | (142,737)             |
| Balance of other assets, 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 according to Management approach                                                 | -                                  | -                                  | 6,149,876             | -                                  | -                                  | 4,726,709             |
| Number of shares at end of period                                                    | -                                  | -                                  | 38,137                | -                                  | -                                  | 36,658                |
| NAV according to 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**

The value of the real estate as of March 31, 2026 amounted to a total of NIS 8.1 billion, an increase of approximately NIS 1,328 million from its value as of December 31, 2025. The increase is mainly due to payments on account of the purchase of land in the amount of approximately NIS 181 million, progress in the rate of investments in projects under construction in the amount of approximately NIS 319 million and an increase in value created during the update of valuations by an external appraiser for the company's assets in the amount of 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 balances of other assets and liabilities net in the amount of NIS 237 million and less land acquisition and investments in investment property under development in the amount of approximately NIS 500 million.



NIS and dividend distribution in the amount of approximately NIS 73 million. During the period, profits due to linkage differences in the amount of approximately NIS 4 million were recognized in light of a decrease in the Consumer Price Index at a rate of approximately 0.1%.

**Deferred tax reserve**

The balance of the deferred tax reserve 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 expanded consolidated balance sheet during the year:

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

The value of the real estate as of March 31, 2026 totaled approximately NIS 9.5 billion, an increase of approximately NIS 1,327 million from their value as of December 31, 2025. The increase is mainly due to payments on account of the purchase of land in the amount of approximately NIS 181 million, progress in the rate of investments in projects under construction in the amount of approximately NIS 320 million and an increase in value created during the update of valuations by an external appraiser for the company's assets in the amount of 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 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 balances of other assets and liabilities net in the amount of NIS 238 million and less land acquisition and investments in investment property under development in the amount of approximately NIS 502 million. During the period, profits due to linkage differences in the amount of approximately NIS 4 million were recognized in light of a decrease in the Consumer Price Index at a rate of approximately 0.1%.

**Deferred tax reserve**

The balance of the deferred tax reserve 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 of approximately NIS 39 million in the corresponding period last year. An increase of approximately NIS 203 million is attributed to an increase in deposits from tenants, an increase of NIS 21 million attributed to an increase in the company's NOI, an increase of NIS 21 million attributed to profit from the 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 of approximately NIS 79 million in the corresponding period last year. Flow used for investing activities in the reporting period mainly includes investments in real estate assets, net, in the amount of approximately NIS 451 million, a pledged cash deposit in the amount of approximately NIS 23 million, purchase of marketable securities in the amount of approximately NIS 13 million and less consideration in the amount of approximately NIS 28 million from the realization of investments measured at fair value through profit or loss.

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 in the amount of approximately NIS 55 million in the corresponding period last year. The material components of the flow resulting from financing activities in the reporting period mainly include a share capital issuance of approximately NIS 612 million, receiving loans from banking corporations in the amount of approximately NIS 28 million, less redemption of BONDS in the amount of approximately NIS 264 million and less dividend distribution in the amount of approximately NIS 73 million.

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

Liquidity risk

As of the report date, the Group has income-producing real estate and development assets, free of encumbrance, 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 the encumbrance of these assets as needed.

In addition, the Company has a holding in marketable shares of Discount Investment Corporation 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, financing can also be obtained against these shares.

As of March 31, 2026, the liquid balances held by the Group amount to approximately NIS 1,527 million (including holdings in BIG shares). As of the report date, the Company has unutilized credit facilities in the amount of NIS 175 million from banking corporations.

In light of the above and after the Company's Board of Directors examined, among other things, the sources of repayment for existing and expected liabilities, with emphasis on the repayment of liabilities that the Group is required to pay during the two years from March 31, 2026, what are the credit sources and unutilized credit facilities available to the Group, the cash flow from operating activities that the Group generates, and in light of the rate of unencumbered asset 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 obligations when they become due.

**The foregoing is based on the Company's estimates only and constitutes forward-looking information as defined in the Securities Law. The Company's estimates as stated above are based on data in its possession today, however there is no certainty that these assumptions and estimates will be fully or partially realized, as they depend on external factors over which the Company has no ability to influence or on which influence is limited.**

**Main developments  
in fields of activity  
during the report  
period and  
thereafter**

**Capital raising**

On March 4, 2026, the Company completed a private allocation of 1,377,379 ordinary shares, registered in name and of 0.01 NIS par value each of the Company for a total consideration of 614,999,724 NIS. For more details see immediate report of the Company 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 issuance of BONDS (Series 9) in the amount of 197,952 thousand NIS par value by way of series expansion. The consideration (gross) received by the Company for the issuance of the additional BONDS is approximately 223,884 thousand NIS.

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

For more details regarding the expansions above see immediate report of the Company dated April 26, 2026 (Reference 2026-01-038118) and also immediate report of the Company 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 the shares of Discount Investment Corporation Ltd – 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 'Additional appreciation potential in the Company's investments' section above and in Note 6 to the financial reports.

**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 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 73 million NIS (dividend per share of 1.90668 NIS) which was paid on March 18, 2026.

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

**Material events occurring after the reporting period**

For details regarding Mega D.C entering into an agreement to purchase a land division of approximately 180 dunams in Hadera see section 1.1 of Chapter B below – Update of the description of the corporation's business for the Periodic report for the year 2025.

Corporate Governance and Market Risks | Market Risks and Methods of Management

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

| As of March 31, 2026                                           |                                                |                |              |                                  |            |
|----------------------------------------------------------------|------------------------------------------------|----------------|--------------|----------------------------------|------------|
|                                                                | Foreign currency or linked to foreign currency | Non-linked NIS | Index-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 or 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    |



| As of March 31, 2026                           |                                                |                |              |                                  |           |
|------------------------------------------------|------------------------------------------------|----------------|--------------|----------------------------------|-----------|
|                                                | Foreign currency or linked to foreign currency | Non-linked NIS | Index-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 in essence, it is an asset whose value is derived from linked lease agreements of the tenants and therefore in its economic essence is an index-linked asset. Including investment property as a linked asset would have moved the company to a positive index-linked balance of approximately NIS 850 million, which, in the opinion of the Board of Directors, better reflects the economic exposure of the company.

| As of March 31, 2025                                           |                                                |                |              |                                  |           |
|----------------------------------------------------------------|------------------------------------------------|----------------|--------------|----------------------------------|-----------|
|                                                                | Foreign currency or linked to foreign currency | Non-linked NIS | Index-linked | Non-financial assets/liabilities | Total     |
| Reported NIS thousands                                         |                                                |                |              |                                  |           |
| Assets                                                         |                                                |                |              |                                  |           |
| Current assets                                                 |                                                |                |              |                                  |           |
| Cash and cash equivalents                                      |                                                | 534,125        |              |                                  | 534,125   |
| Investments in marketable securities                           | 10,828                                         | 31,589         | 2,897        | 82,226                           | 127,540   |
| Short-term deposits                                            |                                                | 70,135         |              |                                  | 70,135    |
| Pledged cash                                                   |                                                | 69,114         |              |                                  | 69,114    |
| Tenants                                                        |                                                | 5,401          | 3,601        |                                  | 9,002     |
| Debtors and debit balances                                     |                                                | 39,651         | 17,953       | 3,752                            | 61,356    |
| Assets held for sale                                           |                                                |                |              | 604,733                          | 604,733   |
| Non-current assets                                             |                                                |                |              |                                  |           |
| Investments in companies accounted for using the equity method |                                                | 171,129        |              | 1,468,723                        | 1,639,852 |

| As of March 31, 2025                                      |                                                |                |              |                                  |           |
|-----------------------------------------------------------|------------------------------------------------|----------------|--------------|----------------------------------|-----------|
|                                                           | Foreign currency or linked to foreign currency | Non-linked NIS | Index-linked | Non-financial assets/liabilities | Total     |
| Reported NIS thousands                                    |                                                |                |              |                                  |           |
| Investments measured at fair value through profit or loss |                                                |                |              | 37,773                           | 37,773    |
| Long-term debtors and debit balances                      |                                                | 4,485          | 32,500       | 80,489                           | 117,474   |
| Prepaid expenses                                          |                                                |                |              | 3,454                            | 3,454     |
| Long-term deposits                                        |                                                |                |              | 2,697                            | 2,697     |
| Investment property                                       |                                                |                |              | 4,406,139                        | 4,406,139 |
| Investment property under development                     |                                                |                |              | 1,175,902                        | 1,175,902 |
| Fixed assets                                              |                                                |                |              | 5,448                            | 5,448     |
| Goodwill                                                  |                                                |                |              | 4,906                            | 4,906     |
| Total assets                                              | 10,828                                         | 925,629        | 56,951       | 7,876,242                        | 8,869,650 |
| Liabilities                                               |                                                |                |              |                                  |           |
| Current liabilities                                       |                                                |                |              |                                  |           |
| Credit from banking and other corporations                |                                                | 264,787        | 194,492      |                                  | 459,279   |
| 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                             |                                                | 59,894         | 21,289       | 3,783                            | 84,966    |
| Non-current liabilities                                   |                                                |                |              |                                  |           |
| Loans from banking corporations                           |                                                | 291,199        | 122,999      |                                  | 414,198   |
| 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                                         | -                                              | 634,715        | 4,461,273    | 442,414                          | 5,538,402 |
| Total net balance sheet balance                           | 10,828                                         | 290,914        | (4,404,322)  | 7,433,828                        | 3,331,248 |

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

MEGA OR



**Corporate Governance and Market Risks**

**Corporate Governance**

In the reporting period, there were no material changes in aspects of corporate governance in the company as detailed in the Periodic report for the year 2025.

**The Board of Directors and Company Management**

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

**General Meetings of the Shareholders of the Company**

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 immediate reports of the company from November 26, 2025 (Reference 2025-01-092911), from December 17, 2025 (Reference: 2025-01-100806) and from January 6, 2026 (Reference: 2026-01-002125), which are included herein by way of reference.

In addition, after the reporting period, on May 4, 2026, the Special General Meeting of the Company's shareholders approved the following resolutions:

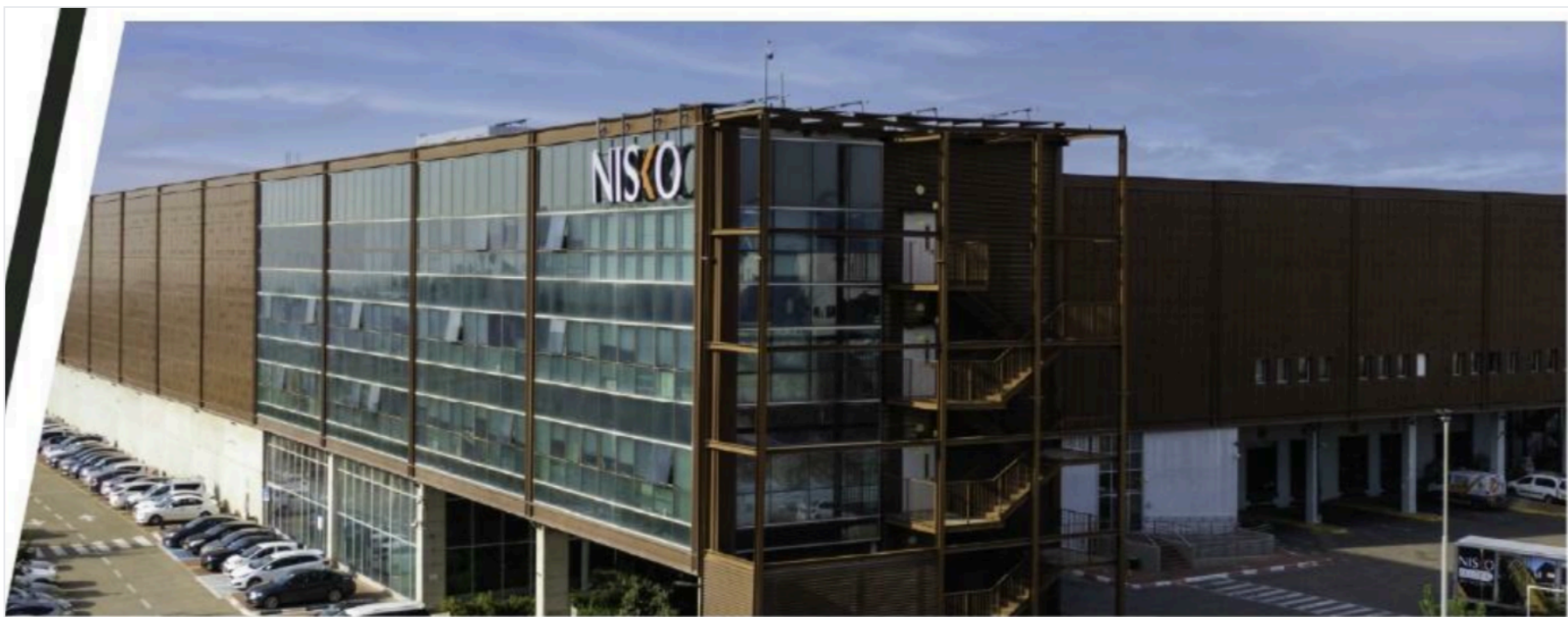
- A.** Appointment of Ms. Osnat Hillel-Pein as an external director of the company for a three-year term of office beginning on the date of approval of the appointment by the meeting.
- B.** Approval of the granting of a letter of commitment for indemnification to Ms. Osnat Hillel-Pein in accordance with the terms and versions accepted by the company and as they may be from time to time.
- C.** Approval of the granting of a letter of exemption from liability to Ms. Osnat Hillel-Pein, in accordance with the terms accepted by the company and as they may be from time to time.
- D.** Approval to include Ms. Osnat Hillel-Pein in the directors' and officers' liability insurance policy of the company, in accordance with the terms accepted by the company and as they may be from time to time.

For further details see immediate reports of the company from March 25, 2026 (Reference: 2026-01-027250) and from May 5, 2026 (Reference: 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 reporting period, the company granted donations in the amount of NIS 237 thousand compared to a total of NIS 472 thousand in the corresponding period last year. The company has not committed to any material obligations for giving donations in future periods.





Financial Reporting

Critical Accounting Estimates:

Generally accepted accounting principles require management to use estimates or assessments regarding transactions or matters whose final effects on the financial statements cannot be accurately determined at the time the financial statements are prepared. Although estimates or assessments are made to the best of judgment, the final effects of the said transactions or matters may differ 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 effect on the financial results and on the company's business:

Provision for impairment

In accordance with the provisions of International Accounting Standard 36, the company examines at 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 can be recovered 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 the cash flow estimates, the company relies on the past experience of the management and on appraiser assessments. In determining the cash flow estimates, the company relies on the past experience of the company from renting this asset or similar assets, while 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 the permit fees as stated above, the company relies on the past experience of its managers and on appraiser assessments. In the financial statements, a provision was included for the permit fees for exceptional use within the framework of the miscellaneous creditors item.

Changes in fair value of income-producing real estate

The Group determines the fair value of the income-producing real estate in accordance with the provisions of International Standard No. 40 and IFRS 13. In determining the 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 the assets, the company's management performs internal updates to the value of the assets in which changes in the Consumer Price Index are reflected, as well as changes in the occupancy of vacant areas in the properties. In determining the fair value, consideration was given, among other things, to the discount rates used to discount the future cash flows, the strength of the tenants, the volume of vacant areas in the property (Vacancy), the length of the lease agreements and the period of time required to lease the buildings after their evacuation, the period and volume of vacant areas of the assets, the adjustment of the rent in properties where the level of rent is above the existing market level (Over-rented) or below market prices (Under-rented), consequences arising from investments that will be required for development and/or



Maintaining the existing and predicting uncovered operating costs in cases where the properties are managed by deficit management companies. Changes in assumptions used by the aforementioned external experts, combined with

changes in the company’s management assessments based on its cumulative experience, can lead to changes in the fair value amount which are recognized in the profit and loss statement, and thereby affect the company's financial position and the results of its operations. In accordance with International Financial Reporting Standard No. 13 (IFRS) and in accordance with Accounting Enforcement Decision 18-1 of the Securities Authority from 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 in the subject of critical accounting estimates since the end of 2025 and during the reporting 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 Part B of this report.

**Events after the report date**

See Note 4 to the financial statements.

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Amit Berger, Chairman of the Board

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Tzahi Nahmias, Co-CEO

May 19, 2026



# Appendices to Part A

**Appendix A - Auxiliary Tables and Calculations**

**Appendix B - Dedicated disclosure for the corporation's BONDS holders**

Appendix A

Auxiliary Tables and Calculations

Extended Consolidated Financial Statements

The extended consolidated financial statements of the Group are the Group's reports presented according to IFRS rules, except for the application of IFRS 11 "Joint Arrangements" which has been applied consistently. That is, investments in associate companies presented according to the equity method (equity basis) due to the existence of a contractual arrangement for joint control, are neutralized and restored by proportional consolidation of the company's share in the aforementioned companies. Consolidated companies in which there are non-controlling rights were consolidated according to the company's relative 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      | 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 a 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 consolidated companies in proportional consolidation                    | 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        |

|                                                                            | As of March 31 |           | As of December 31 |
|----------------------------------------------------------------------------|----------------|-----------|-------------------|
|                                                                            | 2026           | 2025      | 2025              |
|                                                                            | Unaudited      | 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            |
| Creditors 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 company 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 for adjustments arising from translation of financial statements      | 6,360          | 28,319    | 6,814             |
| Fund regarding transaction with holders of 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        |





Consolidated Extended 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 granting 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 a company accounted for using the equity method                                    | (5,916)                       | 30,960   | 11,182                         |
| Increase 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                        |
| Financing income                                                                                                 | 65,016                        | 11,126   | 222,509                        |
| Financing 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 income taxes                                                                                       | 898,494                       | 90,319   | 1,054,875                      |
| Income taxes                                                                                                     | (207,847)                     | (9,869)  | (205,874)                      |
| Net profit                                                                                                       | 690,647                       | 80,450   | 849,001                        |
|                                                                                                                  |                               |          |                                |
| Total comprehensive profit                                                                                       | 690,647                       | 80,450   | 849,001                        |
| Attributed to:                                                                                                   |                               |          |                                |
| Company's shareholders                                                                                           | 689,449                       | 78,458   | 844,335                        |
| Non-controlling interests                                                                                        | 1,198                         | 1,992    | 4,666                          |
|                                                                                                                  | 690,647                       | 80,450   | 849,001                        |

Composition of minority interest impact on financial statement items

|                                                    | As of March 31 |           | As of<br>December<br>31 |
|----------------------------------------------------|----------------|-----------|-------------------------|
|                                                    | 2026           | 2025      | 2025                    |
| NIS thousands                                      |                |           |                         |
| In the statement of financial position             |                |           |                         |
| Cash and cash equivalents                          | 436            | 242       | 145                     |
| Investment property and property under 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<br>March 31 |              | For the year<br>ended<br>December<br>31 |
|----------------------------------------------------------------------------------------------|----------------------------------|--------------|-----------------------------------------|
|                                                                                              | 2026                             | 2025         | 2025                                    |
|                                                                                              | Unaudited                        |              | Audited                                 |
| NIS thousands                                                                                |                                  |              |                                         |
| <u>In the profit and loss statement</u>                                                      |                                  |              |                                         |
| 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)                                    |
| Financing expenses                                                                           | (76)                             | (1,267)      | (509)                                   |
| Income taxes                                                                                 | (378)                            | (455)        | (1,470)                                 |
| <b>Total non-controlling interests in comprehensive profit</b>                               | <b>1,198</b>                     | <b>1,992</b> | <b>4,666</b>                            |

To provide 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 US) and as defined, 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 due to 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 represent cash flows from operating activities, does not reflect cash held by the company, and does not replace the reported net profit according to generally accepted accounting principles.

|                                                                                                                                                                         | Q1 2026       | Q1 2025       | Year 2025      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|
| Annual net profit attributable to the equity holders of the corporation                                                                                                 | 689,449       | 78,458        | 844,335        |
| <b>Adjustments:</b>                                                                                                                                                     |               |               |                |
| Changes in value of investment property assets, investment property under construction and lands                                                                        | (825,544)     | (96,035)      | (430,132)      |
| One-time or irregular 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 opportunity price | -             | 29,189        | (61,060)       |
| Loss/(profit) from changes in fair value or from sale of financial assets                                                                                               | 25,921        | 64,854        | (379,449)      |
| Current and deferred tax effect due to the adjustments above                                                                                                            | 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)       |
| <b>FFO according to the Authority's approach</b>                                                                                                                        | <b>81,100</b> | <b>52,348</b> | <b>177,129</b> |
| Additional – share-based payment                                                                                                                                        | 2,148         | 1,642         | 5,460          |
| Additional – donations                                                                                                                                                  | 237           | 472           | 5,499          |
| Additional – linkage differences expenses (income) on the debt principal                                                                                                | (4,337)       | 12,365        | 103,618        |
| <b>FFO according to management's approach</b>                                                                                                                           | <b>79,148</b> | <b>66,827</b> | <b>291,706</b> |
| Weighted no. of shares                                                                                                                                                  | 366,466       | 366,122       | 366,357        |
| Real FFO per share (agorot)                                                                                                                                             | 216           | 183           | 796            |

**Appendix B**  
**Specific disclosure for the holders of BONDS**

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

As of the report date, the company has 7 series of non-convertible BONDS (Series F, Series G, Series H, Series I, Series J, Series K, and Series L):

All series of BONDS 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 J) and BONDS (Series F).

As of the report date and during the report period, the company complies and has complied, to the best of its knowledge, with all conditions and obligations according to the trust deeds of the BONDS it issued, and further, to the best of its knowledge, no conditions have occurred that establish grounds for immediate repayment of the BONDS and/or realization of collateral (to the extent provided).

**Below is a separate detail regarding each of the outstanding BONDS series:**

| NIS thousands                                        | Series F                                 | Series G                       | Series H                       | Series I                       | Series J                       | Series K                       | Series L                       | Total            |
|------------------------------------------------------|------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------|
| Issuance 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 issuance date                           | 616,661                                  | 1,129,878                      | 1,008,600                      | 1,395,149                      | 194,736                        | 687,707                        | 457,102                        | <b>5,489,833</b> |
| Book balance                                         | 147,952                                  | 601,580                        | 478,861                        | 1,422,824                      | 116,333                        | 635,743                        | 476,290                        | <b>3,879,584</b> |
| Par value balance without linkage as of 31.03.2026   | 123,332                                  | 503,531                        | 403,440                        | 1,249,676                      | 100,860                        | 565,364                        | 457,102                        | <b>3,403,305</b> |
| Par value balance including linkage as of 31.03.2026 | 147,224                                  | 601,068                        | 477,763                        | 1,469,621                      | 117,206                        | 656,991                        | 471,345                        | <b>3,941,217</b> |
| Accrued interest amount                              | 744                                      | 1,047                          | -                              | 1,048                          | -                              | -                              | 6,201                          | <b>9,040</b>     |
| Stock market value as of 31.03.2026                  | 148,677                                  | 604,036                        | 474,728                        | 1,398,637                      | 106,044                        | 599,681                        | 487,682                        | <b>3,819,486</b> |
| Fixed interest rate                                  | 2.05%                                    | 2.05%                          | 1.40%                          | 0.84%                          | 0.50%                          | 0.97%                          | 3.18%                          |                  |
| Linkage basis                                        | Consumer Price Index (CPI)               | Consumer Price Index (CPI)     | Consumer Price Index (CPI)     | Consumer Price Index (CPI)     | Consumer Price Index (CPI)     | Consumer Price Index (CPI)     | Consumer Price Index (CPI)     |                  |

| NIS thousands                                                   | Series 6                                                                                                                                                                                                 | Series 7                                                                                                                                                                                                         | Series 8                                                                                                                                                                              | Series 9                                                                                                                                                                                                                             | Series 10                                                                                                                                                                            | Series 11                                                                                                                                                                            | Series 12                                                                                                                                                                                                             | Total |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 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 payments of the principal at a rate of 27.5% will be repaid on April 30 of the year 2031 and of the year 2033. |       |
| Interest payment date                                           | Semi-annual payments, on December 31 and on June 30, in the period between December 31, 2016 - June 30, 2026.                                                                                            | Semi-annual payments, on February 28 and on August 30 in the period between February 28, 2018 - August 30, 2027                                                                                                  | Semi-annual payments, on March 31 and on September 30, in 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.                                                                                    |       |
| Last rating report (3)                                          | 16.04.2026                                                                                                                                                                                               | 16.04.2026                                                                                                                                                                                                       | 16.04.2026                                                                                                                                                                            | 16.04.2026                                                                                                                                                                                                                           | 16.04.2026                                                                                                                                                                           | 16.04.2026                                                                                                                                                                           | 16.04.2026                                                                                                                                                                                                            |       |
| Rating at issuance date (4)                                     | ilA-                                                                                                                                                                                                     | ilA-                                                                                                                                                                                                             | ilAA-                                                                                                                                                                                 | ilA                                                                                                                                                                                                                                  | ilA+                                                                                                                                                                                 | ilA+                                                                                                                                                                                 | ilAA-                                                                                                                                                                                                                 |       |
| Rating at report date (4)                                       | 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. Telephone 03-6374344, Fax 03-6374343. Responsible email – Rami Safti: Ramis@mtrust.co.il

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

(3) See immediate report dated April 16, 2016 (Reference: 2026-15-035540).

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

(5) For the benefit of the trustee for the BONDS holders (Series 8), the following liens were created and registered:

A. A first-degree mortgage, without limitation in amount, on 50% undivided of all rights of Big Mega Or Ltd. in the BIG Mega Or Upper Galilee commercial center, 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% of the right of Big Mega Or Ltd. to receive insurance benefits in connection with the aforementioned property.



- B. A first-degree mortgage, without limitation in amount, on the company's rights in the Nisco 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 right to receive insurance benefits in connection with the aforementioned property.
- C. A first-degree mortgage, without limitation 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 benefits in connection with the aforementioned property.
- D. A first-degree mortgage, without limitation in amount, on the company's rights in the Management Center Lot 61, 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 right to receive insurance benefits in connection with the aforementioned property.

- E. A first-degree mortgage, without limitation 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% of the right of Big Mega Or Kiryat Gat Ltd. to receive insurance benefits in connection with the aforementioned property.
- F. A first-degree mortgage, without limitation in amount, on 50% undivided of all rights of Big Mega Or Ltd. in the BIG Mega Or Tiberias commercial center, 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% of the right of Big Mega Or Ltd. to receive insurance benefits in connection with the aforementioned property.
- G. A first-degree mortgage, without limitation in amount, on all rights of the company in the Mega Or 1 Modi'in center (50% undivided) as well as a first-degree floating lien, without limitation in amount, on the company's right to receive fruits from the property (50% undivided) and a first-degree fixed lien without limitation in amount on the company's right to receive insurance benefits in connection with the property (50% undivided).
- H. A first-degree mortgage, without limitation in amount, on all rights of the company in the Management Center Lot 12A as well as a first-degree fixed lien, without limitation in amount, on the company's right to receive insurance benefits in connection with the aforementioned property and a first-degree fixed lien without limitation in amount on the company's right to receive fruits from the aforementioned property.
- I. A 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 any law 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 disclosure about very material investment real estate assets) and the valuations attached to the Periodic report.
  - (3) After the report period and after a principal payment was made in accordance with the BONDS' amortization schedule, and in accordance with the provisions of the BONDS' trust deed, the following detailed assets were released from the liens in accordance with the trust deed provisions: (1) Nisco Management Center in Modi'in (2) Management Center Lot 61 in Modi'in, after the company's board of directors determined that the risk level of the collateral remaining in the hands of the holders after the release of the aforementioned assets from the lien is not significantly higher than that of the previous collateral. For the company's notice regarding its intention to release collateral pledged to the BONDS holders (Series 8) see the company's immediate report dated February 26, 2026 (reference 2026-01-018394), which is hereby included by way of reference.

**(6) For the benefit of the trustee for the BONDS holders (Series 10), the following liens were created and registered:**

- A. A fixed, single, first-degree lien without limitation in amount on 233,521 shares of BIG Shopping Centers Ltd., and on the rights associated with them (as defined in the trust deed).
  - B. A fixed, single, first-degree lien without limitation in amount on 5,826,256 shares of Discount Investment Corporation Ltd. and on the rights associated with them (as defined in the trust deed).
  - C. A fixed, single, first-degree lien without limitation in amount on the company's full rights in the trust account managed in the name of the trustee and on everything deposited therein.
- (1) The collateral given to secure the BONDS, as detailed above, is valid according to any law and according to the company's incorporation documents.
- (2) After the report period and after a principal payment was made in accordance with the BONDS' amortization schedule and in accordance with the trust deed provisions, the company applied to the trustee with a request to release part of the pledged shares from the lien. For the company's notice regarding its intention to release collateral pledged to the BONDS holders (Series 10) see the company's immediate report dated April 26, 2026 (reference 2026-01-038019, which is hereby included by way of reference ("the report")). The release of the shares from the lien as mentioned will apply after 21 days from the date of the report, where on the date of the shares' release, the company will update in an immediate report the quantity of shares that will be released.
- (2) For details regarding BIG Shopping Centers Ltd. and its financial statements as of 31.12.2025 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 regarding Discount Investment Corporation Ltd. and its financial statements as of 31.12.2025 and as of 31.3.2026, 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) For the benefit of the trustee for the BONDS holders (Series 12) the following liens were created and registered:**

- A. A first-degree mortgage, without limitation in amount, on 50% undivided of all rights of Big Mega Or Ltd. in the BIG Pardes Hanna commercial center as well as 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. A first-degree mortgage, without limitation in amount, on all rights of the company in the Management Center Lot 363 as well as a first-degree floating lien without limitation in amount on the company's full rights in the income of the Management Center Lot 363 as well as on the company's full rights under the Management Center Lot 363 lease agreement and the option agreement as well as a lien on the company's right to receive insurance benefits in connection with the aforementioned property.
- C. A fixed lien and assignment by way of a first-degree fixed lien without limitation in amount on the company's full rights in the payments from Mega Or Ithaca Ashdod.
- D. A fixed lien and assignment by way of a first-degree fixed lien without limitation in amount on the company's full rights to receive the payment flows from Ariel.
- E.

A first-degree mortgage, without limitation in amount, on 50% undivided of all rights of Mega Or Modi'in Ltd. in the Modi'in 2 commercial center as well as 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. A first-degree fixed lien without limitation in amount on all rights of Mega Or Lehavim Ltd. in the Lehavim Industrial Center as well as a first-degree floating lien without limitation 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 any law 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 disclosure about very material investment real estate assets) and the valuations attached to the Periodic report.

| BOND Series | Financial Covenant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Ratio as of the report date                     | Compliance status as of the report date |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|
| Series 6    | The company's equity (company equity including minority interests), according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, shall not be less than NIS 300 million (regarding immediate repayment) and shall not be less than NIS 350 million (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 totaling approximately NIS 5,236 million | Meeting the condition                   |
|             | The ratio between the consolidated equity (equity according to generally accepted accounting principles, including capital notes and owner loans, excluding minority interests) of the company to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                           | Meeting the condition                   |

| BOND Series | Financial Covenant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Ratio as of the report date                     | Compliance status as of the report date |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|
| Series 7    | The company's equity (company equity excluding minority interests), according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, shall not be less than NIS 400 million (regarding immediate repayment) and shall not be less than NIS 450 million (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 totaling approximately NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the consolidated equity (equity according to generally accepted accounting principles, including capital notes, including owner loans and including minority interests) of the company to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                           | Meeting the condition                   |
|             | When the company's rating is up to A (inclusive), the debt-to-collateral ratio shall be 60% (regarding cause for putting the BONDS for immediate repayment - 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%                                           | Meeting the condition                   |
| Series 8    | The company's equity (company equity excluding minority interests), according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, shall not be less than NIS 400 million (regarding immediate repayment) and shall not be less than NIS 450 million (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 totaling approximately NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the consolidated equity (equity according to generally accepted accounting principles, including capital notes subordinated to all company obligations, including owner loans and including minority interests) of the company to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                           | Meeting the condition                   |



| BOND Series | Financial Covenant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Ratio as of the report date                     | Compliance status as of the report date |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|
| Series 9    | The company's equity (company equity excluding minority interests), according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, shall not be less than NIS 800 million (regarding immediate repayment) and shall not be less than NIS 750 million (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 totaling approximately NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the consolidated equity (equity according to generally accepted accounting principles, including capital notes deferred both regarding its maturity date and in liquidation, including owner loans and including minority interests) of the company to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                           | Meeting the condition                   |

| BOND Series | Financial Covenant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Ratio as of the report date               | Compliance status as of the report date |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------|
| Series 10   | The company's equity (company equity excluding minority interests, according to the company's annual consolidated financial statements or according to the company's quarterly financial results), shall not be less than NIS 1 billion (regarding interest compensation). And shall not be less than NIS 950 million (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 totaling approx. NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the company's adjusted equity (equity according to generally accepted accounting principles, including deferred capital notes, including owner loans and including minority interests) to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                     | Meeting the condition                   |



| BOND Series | Financial Covenant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Ratio as of the report date               | Compliance status as of the report date |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------|
| Series 11   | The company's equity (company equity excluding minority interests, according to the company's annual consolidated financial statements or according to the company's quarterly financial results), shall not be less than NIS 1 billion (regarding interest compensation). And shall not be less than NIS 950 million (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 totaling approx. NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the company's adjusted equity (equity according to generally accepted accounting principles, including deferred capital notes, including owner loans and including minority interests) to the company's total balance sheet, according to the consolidated, quarterly or annual, reviewed or audited financial statements, as applicable, 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%                                     | Meeting the condition                   |
| Series 12   | The amount equal to the outstanding balance of the BONDS (Series 12) plus interest and linkage differences accrued until the examination date, shall not exceed the total collateral (i.e.: the security value of the pledged assets multiplied by a rate of 80%) as of the examination 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 trust deed provisions.                                                                                                                  | 79.7%                                     | Meeting the condition                   |
|             | The company's equity (company equity excluding minority interests, according to the company's annual consolidated financial statements or according to the company's quarterly financial results, as applicable) shall not be less than NIS 1,300,000 thousand. It should be noted that a cause for immediate repayment will arise after the company deviates from the covenant for two consecutive reports.                                                                                                                                                                                                                             | Equity totaling approx. NIS 5,139 million | Meeting the condition                   |
|             | The ratio between the company's adjusted equity (equity according to generally accepted accounting principles, including deferred capital notes, including owner loans and including minority interests) to the company's total balance sheet, according to the consolidated, quarterly or annual reviewed or audited financial statements, as applicable, 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%                                     | Meeting the condition                   |

# Chapter B

Update of the Description of the  
Corporation's Business  
for the Periodic report for the year 2025



## **Update of the Description of the Corporation's Business chapter for the Periodic report for the year 2025**

In accordance with Regulation 39a of the Securities Regulations (Periodic and Immediate Reports), 1970, following are the material changes or innovations that occurred in the company's business in the subjects 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 includes only information which is, in the company's opinion, material information; however, in some cases, for the sake of completeness of the picture, the company included an more extensive description than required, including information that is not necessarily material. The updates below are presented according to the order of the sections of the Description of the Corporation's Business chapter in the Periodic report. It should be noted that the terms below shall have the meaning given to them in the Periodic report, unless expressly stated otherwise.

### **1. Update to Section 4 of the Description of the Corporation's Business chapter included in the Periodic report**

#### **1.1. Mega D.C engagement in an agreement to purchase a land block of approximately 180 dunams in Hadera**

On April 15, 2026, Mega D.C engaged in an agreement with a third party who is not related to the company and/or to its controlling shareholder for the purchase of a land block 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 Sale Agreement") which was paid in full on the date of signing the Sale Agreement.

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

### **2. Regarding the update of section 8 of the Description of the Corporation's Business chapter included in the Periodic report -**

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

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Chapter B – Update of the Description of the Corporation's Business for the Periodic report for the year 2025

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

3.1. Commercial center, BIG Afula

| (Data according to 100%, the corporation's share in the asset - 50%)        | Current year 2026 | Comparative figures |
|-----------------------------------------------------------------------------|-------------------|---------------------|
|                                                                             | Q1                | 31.12.2025          |
| Asset value (NIS thousands)                                                 | 99,200            | 99,200              |
| NOI during the period (NIS thousands)                                       | 1,692             | 6,767               |
| Revaluation gains during the period (NIS thousands)                         | -                 | 4,800               |
| Average occupancy rate during the period (%)                                | 99                | 99                  |
| Yield rate (%)                                                              | 6.8               | 6.9                 |
| Average monthly rent per sqm (in NIS)                                       | 135               | 140                 |
| Average monthly rent per sqm in contracts signed during the period (in NIS) | 147               | -                   |

3.2. Commercial center, BIG Mega Or Kiryat Gat

| (Data according to 100%, the corporation's share in the asset - 50%)        | Current year 2026 | Comparative figures |
|-----------------------------------------------------------------------------|-------------------|---------------------|
|                                                                             | Q1                | 31.12.2025          |
| Asset value (NIS thousands)                                                 | 252,740           | 252,010             |
| NOI during the period (NIS thousands)                                       | 3,359             | 15,852              |
| Revaluation gains (losses) during the period (NIS thousands)                | (984)             | 16,245              |
| Average occupancy rate during the period (%)                                | 100               | 100                 |
| Yield rate (%)                                                              | 6.4               | 6.3                 |
| Average monthly rent per sqm (in NIS)                                       | 90                | 121                 |
| Average monthly rent per sqm in contracts signed during the period (in NIS) | -                 | 277                 |

3.3. Commercial center, BIG Mega Or Tiberias

| (Data according to 100%, the corporation's share in the asset - 50%)        | Current year 2026 | Comparative figures |
|-----------------------------------------------------------------------------|-------------------|---------------------|
|                                                                             | Q1                | 31.12.2025          |
| Asset value (NIS thousands)                                                 | 227,630           | 227,990             |
| NOI during the period (NIS thousands)                                       | 2,991             | 14,245              |
| Revaluation gains (losses) during the period (NIS thousands)                | (483)             | 7,100               |
| Average occupancy rate during the period (%)                                | 100               | 100                 |
| Yield rate (%)                                                              | 5.3               | 6.8                 |
| Average monthly rent per sqm (in NIS)                                       | 93                | 112                 |
| Average monthly rent per sqm 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 pledge)**

| (Data according to 100%, the corporation's share in the asset - 100%) | Current year 2026 | Comparative figures |
|-----------------------------------------------------------------------|-------------------|---------------------|
|                                                                       | Q1                | 31.12.2025          |
| Asset value (NIS thousands)                                           | 136,950           | 137,090             |
| NOI during the period (NIS thousands)                                 | 2,122             | 8,378               |
| Revaluation gains (losses) during the period (NIS thousands)          | (140)             | 3,140               |
| Average occupancy rate during the period (%)                          | 100               | 100                 |
| Yield rate (%)                                                        | 6.2               | 6.1                 |
| Average monthly rent per sqm (in NIS)                                 | 53                | 53                  |

**3.5. Commercial center, Mega Or REIT 1 Modi'in**

| (Data according to 100%, the corporation's share in the asset - 50%)        | Current year 2026 | Comparative figures |
|-----------------------------------------------------------------------------|-------------------|---------------------|
|                                                                             | Q1                | 31.12.2025          |
| Asset value (NIS thousands)                                                 | 202,000           | 200,810             |
| NOI during the period (NIS thousands)                                       | 3,436             | 13,497              |
| Revaluation gains during the period (NIS thousands)                         | 1,190             | 10,010              |
| Average occupancy rate during the period (%)                                | 100               | 100                 |
| Yield rate (%)                                                              | 6.8               | 6.7                 |
| Average monthly rent per sqm (in NIS)                                       | 102               | 101                 |
| Average monthly rent per sqm in contracts signed during the period (in NIS) | -                 | 170                 |

**3.6. Commercial center, BIG Mega Or Upper Galilee**



| (Data according to 100%, the corporation's share in the asset - 50%) | Current year<br>2026 | Comparative<br>figures |
|----------------------------------------------------------------------|----------------------|------------------------|
|                                                                      | Q1                   | 31.12.2025             |
| Asset value (NIS thousands)                                          | 212,200              | 211,850                |
| NOI during the period (NIS thousands)*                               | 3,075                | 20,186                 |
| Revaluation gains during the period (NIS thousands)                  | 175                  | 4,422                  |
| Average occupancy rate during the period (%)                         | 97                   | 97                     |
| Yield rate (%)                                                       | 9.8                  | 9.5                    |
| Average monthly rent per sqm (in NIS)                                | 104                  | 200                    |

\* During the year 2025, compensation in the amount of approximately NIS 7.3 million was received from the state regarding damage from the Swords of Iron War.



MEGA OR

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

| (Data based on 100%, Corporation's share in the asset - 100%) | Current year<br>2026<br>Quarter 1 | Comparative<br>figures<br>31.12.2025 |
|---------------------------------------------------------------|-----------------------------------|--------------------------------------|
| Asset value (NIS thousands)                                   | 185,780                           | 186,120                              |
| NOI in the period (NIS thousands)                             | 3,431                             | 13,191                               |
| Revaluation gains (losses) in the period (NIS thousands)      | (2,939)                           | 2,690                                |
| Average occupancy rate in the period (%)                      | 100                               | 100                                  |
| Yield rate (%)                                                | 7.4                               | 7.1                                  |
| Average monthly rent per sqm (in NIS)                         | 55                                | 52                                   |

3.8. Lot 12A Management Center

| (Data based on 100%, Corporation's share in the asset - 100%) | Current year<br>2026<br>Quarter 1 | Comparative<br>figures<br>31.12.2025 |
|---------------------------------------------------------------|-----------------------------------|--------------------------------------|
| Asset value (NIS thousands)                                   | 170,100                           | 170,300                              |
| NOI in the period (NIS thousands)                             | 2,632                             | 10,423                               |
| Revaluation gains (losses) in the period (NIS thousands)      | (200)                             | 4,325                                |
| Average occupancy rate in 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 based on 100%, Corporation's share in the asset - 100%) | Current year<br>2026<br>Quarter 1 | Comparative<br>figures<br>31.12.2025 |
|---------------------------------------------------------------|-----------------------------------|--------------------------------------|
| Asset value (NIS thousands)                                   | 91,120                            | 92,500                               |
| NOI in the period (NIS thousands)                             | 2,457                             | 9,081                                |
| Revaluation losses in the period (NIS thousands)              | (1,380)                           | (2,400)                              |
| Average occupancy rate in the period (%)                      | 100                               | 100                                  |
| Yield rate (%)                                                | 10.1                              | 9.7                                  |
| Average monthly rent per sqm (in NIS)                         | 52                                | 51                                   |

3.10. BIG Mega Or Pardes Hanna Commercial Center

| (Data based on 100%, Corporation's share in the asset - 50%) | Current year<br>2026<br>Quarter 1 | Comparative<br>figures<br>31.12.2025 |
|--------------------------------------------------------------|-----------------------------------|--------------------------------------|
| Asset value (NIS thousands)                                  | 91,870                            | 92,560                               |
| NOI in the period (NIS thousands)                            | 2,163                             | 9,039                                |
| Revaluation gains (losses) in the period (NIS thousands)     | (1,049)                           | 1,536                                |
| Average occupancy rate in the period (%)                     | 100                               | 100                                  |
| Yield rate (%)                                               | 9.8                               | 9.8                                  |
| Average monthly rent per sqm (in NIS)                        | 85                                | 100                                  |

3.11. Vishay Management Center, Modi'in

| (Data based on 100%, Corporation's share in the asset - 100%) | Current year 2026<br>Quarter 1 | Comparative figures<br>31.12.2025 |
|---------------------------------------------------------------|--------------------------------|-----------------------------------|
| Asset value (NIS thousands)                                   | 107,500                        | 107,600                           |
| NOI in the period (NIS thousands)                             | 1,597                          | 6,084                             |
| Revaluation gains (losses) in the period (NIS thousands)      | (100)                          | 2,680                             |
| Average occupancy rate in the period (%)                      | 100                            | 100                               |
| Yield rate (%)                                                | 5.9                            | 5.7                               |
| Average monthly rent per sqm (in NIS)                         | 39                             | 37                                |

3.12. Industry Center in Lehavim

| (Data based on 100%, Corporation's share in the asset - 100%) | Current year 2026<br>Quarter 1 | Comparative figures<br>31.12.2025 |
|---------------------------------------------------------------|--------------------------------|-----------------------------------|
| Asset value (NIS thousands)                                   | 230,700                        | 231,100                           |
| NOI in the period (NIS thousands)                             | 3,576                          | 14,140                            |
| Revaluation gains (losses) in the period (NIS thousands)      | (400)                          | 5,000                             |
| Average occupancy rate in 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 based on 100%, Corporation's share in the asset - 50%) | Current year 2026<br>Quarter 1 | Comparative figures<br>31.12.2025 |
|--------------------------------------------------------------|--------------------------------|-----------------------------------|
| Asset value (NIS thousands)                                  | 78,700                         | 77,900                            |
| NOI in the period (NIS thousands)                            | 1,313                          | 5,268                             |
| Revaluation gains (losses) in the period (NIS thousands)     | 400                            | 3,400                             |
| Average occupancy rate in the period (%)                     | 100                            | 100                               |
| Yield rate (%)                                               | 6.8                            | 6.8                               |
| Average monthly rent per sqm (in NIS)                        | 94                             | 93                                |

3.14. For details regarding the Ariel payment flow value see valuation dated February 1, 2026, which was attached to the Periodic report. It should be noted that as of the report date, no material change has occurred in the Ariel payment flow value 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                                                                                                                                                                                                           | Assessment of the fair value of a Data center with a capacity of 60 MW IT in the North Beit Shemesh Industrial Zone                                                                                                                                                                                                                                                                                                                                                |
| Timing of the valuation                                                                                                                                                                                                     | 31/03/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Value of valuation subject determined according to the valuation (NIS thousands)                                                                                                                                            | 471,000                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Value of valuation subject immediately before the valuation date if accepted accounting principles, including depreciation and amortizations, did not require changing its value according to the valuation (NIS thousands) | 147,915                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Identification and characterization of the appraiser, including education                                                                                                                                                   | <p>Yaron Spector (Yaron Spector Real Estate Appraisals Ltd) - BA in Economics and Business Administration and MBA (Bar-Ilan University). Real Estate Appraisal and Property Management (Tel Aviv University)</p> <p>Gil Siton (Yaron Spector Real Estate Appraisals Ltd) - BA in Geography and Political Science and MBA (The Hebrew University of Jerusalem), LLB (Ono Academic College). Real Estate Appraisal and Property Management (Tel Aviv University)</p> |
| 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 appraiser performed valuations for companies including - BIG Shopping Centers, Hachsharat HaYishuv, Mishab, Arena, Star Group, Ashdar Building Company, Carasso Real Estate, Globus Center, Azorim, Y.D. Barazani, Ashtrom, Hagag Group, Tidhar, in a scope of over NIS 10 billion.                                                                                                                                                                            |
| Dependence on the valuation client                                                                                                                                                                                          | None                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Reference to indemnity agreements with the appraiser                                                                                                                                                                        | None                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Valuation model according to which the appraiser acted                                                                                                                                                                      | The appraiser used the income capitalization method                                                                                                                                                                                                                                                                                                                                                                                                                |

| MDCIL-4 Phase A                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Main assumptions according to which the valuation was performed | <p>In examining the forecast of future cash flows to arise from the asset in accordance with the agreements signed with customers, the appraiser 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, after deducting the present value of the investment amount in electromechanical systems that will be required at the end of the first operation period.</p> <p>In addition, assets with similar characteristics and similar geographic location were examined for the purpose of using the comparison approach to estimate the present value of future rent for the entire building after the end of the Data center use.</p> |

| MDCIL-2                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Assessment of the fair value of a Data center with a capacity of 30 MW IT in the Yoav Regional Council Employment Park                                                                                                                                                                                                                                                                                                                                             | Valuation subject                                                                                                                                                                                                           |
| 31/03/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Valuation timing                                                                                                                                                                                                            |
| 627,600                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Value of valuation subject determined according to the valuation (NIS thousands)                                                                                                                                            |
| 296,056                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Value of valuation subject immediately before the valuation date if accepted accounting principles, including depreciation and amortizations, did not require changing its value according to the valuation (NIS thousands) |
| <p>Yaron Spector (Yaron Spector Real Estate Appraisals Ltd) - BA in Economics and Business Administration and MBA (Bar-Ilan University). Real Estate Appraisal and Property Management (Tel Aviv University)</p> <p>Gil Siton (Yaron Spector Real Estate Appraisals Ltd) - BA in Geography and Political Science and MBA (The Hebrew University of Jerusalem), LLB (Ono Academic College). Real Estate Appraisal and Property Management (Tel Aviv University)</p> | Identification and characterization of the appraiser, including education                                                                                                                                                   |
| The appraiser performed valuations for companies including - BIG Shopping Centers, Hachsharat HaYishuv, Mishab, Arena, Star Group, Ashdar Building Company, Carasso Real Estate, Globus Center, Azorim, Y.D. Barazani, Ashtrom, Hagag Group, Tidhar, in a scope of over NIS 10 billion.                                                                                                                                                                            | Experience in performing valuations for accounting purposes in reporting corporations and in scopes similar to those of the reported valuation or exceeding these scopes                                                    |
| None                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Dependence on the valuation client                                                                                                                                                                                          |



| MDCIL-2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Reference to indemnity agreements with the appraiser            |
| The appraiser used the income capitalization method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Valuation model according to which the appraiser acted          |
| <p>In examining the forecast of future cash flows to arise from the asset in accordance with the agreements signed with customers, the appraiser 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, after deducting the present value of the investment amount in electromechanical systems that will be required at the end of the first operation period.</p> <p>In addition, assets with similar characteristics and similar geographic location were examined for the purpose of using the comparison approach to estimate the present value of future rent for the entire building after the end of the Data center use.</p> | Main assumptions according to which the valuation was performed |

| MDCIL-1                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subject of Valuation                                                                                                                                                                                                                       | Examination of the fair value for a structure used in part for a Data center with a capacity of approximately 19 MW IT and in part for a logistics center, in Modi'in                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Timing of Valuation                                                                                                                                                                                                                        | 31/03/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Value of the valuation subject determined according to the valuation (in thousands of NIS)                                                                                                                                                 | 829,760                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Value of the valuation subject immediately prior to the valuation date if accepted accounting principles, including depreciation and amortizations, did not require a change in its value according to the valuation (in thousands of NIS) | 659,702                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Identification of the appraiser and their characterization, including education                                                                                                                                                            | <p>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)</p> <p>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)</p>                                                                                                                                                                                                                                                                  |
| 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 appraiser performed valuations, among others, for companies - BIG Shopping Centers, Israel Land Development, Mashav, Arena, Star Group, Ashdar Construction Company, Carasso Real Estate, Globus Center, Azorim, Y.D. Barazani, Ashtrom, Hagag Group, Tidhar, in a scope of over 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Key assumptions according to which the valuation was performed                                                                                                                                                                             | <p>The forecast of future cash flows expected to arise from the property was examined in accordance with the agreements signed with customers; the appraiser 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, the present value of an additional 20 years (second operation period) was taken, discounted at a rate of 8.15% and deferred for 20 years, after deducting the present value of the investment amount in electro-mechanical systems that will be required at the end of the first operation period.</p> <p>Furthermore, properties with similar characteristics and similar geographic locations were examined for use in the comparison approach to estimate the present value of future rent for the entire building after the end of the Data center use.</p> |

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5. **Further to the contents of Section 30.2 of the Periodic report -**

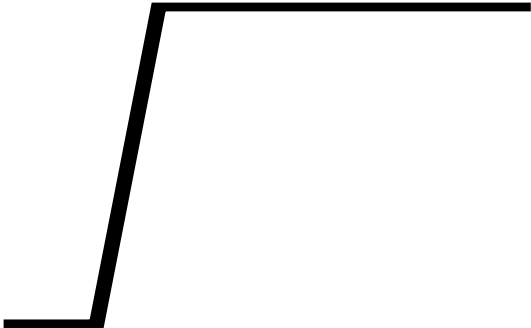
As of March 31, 2026, the company has BONDS in a total amount of approximately NIS 3,870,544 thousand, as well as bank loans (including through subsidiaries, guarantees for loans of associates, and including credit utilized from banking entities) in a total amount of approximately NIS 729,202 thousand 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 a perceived deterioration in the company's business and/or its ability to service its debts.

6. **Further to the contents of 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 2026.

6.2. **Regarding the Vacareni project in Romania** – project implementation has begun.

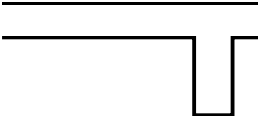
7. A report regarding the statement of liabilities according to maturity dates of the company as of March 31, 2026, will be published by the company adjacent to the publication of this report on Form T-126.



Appendix A to Chapter B

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



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

**Concise 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<sup>2</sup>**

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").

The information included in this concise description is provided for the completeness of the overall picture, but does not necessarily indicate that the information is material from DIC's perspective.

**1. DIC Activities and Description of its Business Development**

Operation Lion's Roar – For details regarding the consequences of the operation on DIC activities, see Note 1.C. to DIC's financial statements and section 1.2 to the Board of Directors' report on the state of the corporation's affairs as of March 31, 2026 of DIC.

**Legal Proceedings**

For details regarding pending claims against Property & Building, see Note 16 to DIC's Annual Report and Note 8.H to the financial statements.

**Property & Building**

- In May 2026, after the date of the report on the financial position, Property & Building (through a wholly owned subsidiary, which holds the 10 Bryant Tower in Manhattan, New York ("The Tower")) entered 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 lease agreement update, starting December 1, 2026, Baker & McKenzie will lease an additional area on the 30th floor, and furthermore, 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 totaling 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 it rose from an effective rent of \$95 per sq. ft. to an initial rent of \$140 per sq. ft. The initial rent regarding the additional area on the 30th floor stands at \$165 per sq. ft. For further details see Note 8.E. to DIC's financial statements.
- On March 31, 2026, the valuation of the Tower was updated, so that the value presented in the valuation stands at \$735 million.
- In February 2026, Property & Building issued to the public NIS 300 million par value BONDS by way of issuing a new series 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 DIC's financial statements.

<sup>2</sup> The contents of this appendix are based on the quarterly report of DIC as of March 31, 2026, as published by DIC on May 14, 2026, on the distribution system of the Securities Authority and on the website of the Tel Aviv Stock Exchange Ltd.





- In February 2026, Property & Building issued to the public NIS 397 million par value BONDS by way of an issuance of a new series of BONDS (Series 13). The BONDS were issued for approximately NIS 397 million gross. The BONDS are not secured by any collateral. For details, see Note 5.a.1. to the financial statements of DIC.
- In March 2026, Property & Building carried out an early redemption, at the initiative of Property & Building, 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. On the early redemption date, Property & Building paid the holders of BONDS (Series 8) a total of NIS 69 million, and the holders of BONDS (Series 9) a total of NIS 1,200 million. For details, see Note 5.a.2. to the financial statements.
- In March 2026, Property & Building issued, within the framework of a private placement, NIS 200 million par value commercial papers (CP) (Series 1) not registered for trading, by way of a series expansion. For details regarding the terms of the CP, see Note 5.a.3. to the financial statements of DIC.
- Further to what is stated in 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 NIS 145 million, in March 2026 Property & Building entered into an agreement with the bank to expand the facility by an amount of NIS 200 million (the total credit facility taken by Property & Building is NIS 345 million). As of the publication date of the financial statements, the facility has not been utilized. For further details, see Note 5.a.3.b. to the financial statements of DIC.
- Property & Building is examining the possibility of expanding its BONDS (Series 12) and BONDS (Series 13) series, by way of a public offering according to a shelf offering report that the company is expected to publish, if and to the extent it publishes, by virtue of its shelf prospectus dated May 13, 2025.
- On May 14, 2026, the board of directors of Property & Building approved a plan for the self-purchase of Property & Building shares with a total cost of up to NIS 50 million, for a period of 3 years, until May 13, 2029.
- Dividend from Gav-Yam – On May 10, 2026, the board of directors of Gav-Yam declared a dividend distribution in the amount of NIS 60 million; Property & Building's share in the payment of said dividend is NIS 38 million.

### **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 reports, DIC's leverage level stood at approximately 23% and 22%, respectively. The average leverage level for the said dates is approximately 23% and 21%, respectively.
- As of March 31, 2026, the Net Asset Value of DIC and the ratio between the net financial debt and the asset value stood at NIS 1,335 million and 23%, respectively.
-

According to the consolidated financial statements of DIC as of March 31, 2026, DIC has a working capital deficit of NIS 836 million 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 NIS 962 million. According to the separate financial statements ("Solo") of DIC as of March 31, 2026, DIC has a working capital deficit of NIS 290 million. DIC has a continuous positive cash flow from current operations both in the consolidated financial statements and in the Solo reports. DIC attached to the financial statements a projected cash flow report, detailing the liabilities and the financial sources from which DIC expects to repay them, for a period of two years ending on March 31, 2028.

For further details regarding the financial position of DIC, its cash flows, and its ability to meet its existing and expected liabilities, see Section Note 1.b. to the financial statements of DIC and Section 1.6.2 of its Board of Directors' report.

# 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 Accountant**  
**To the Shareholders of**  
**Mega Or Holdings Ltd.**

**Introduction**

We have reviewed the accompanying condensed consolidated financial information of Mega Or Holdings Ltd. and consolidated 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 they are also responsible for the preparation of financial information for this interim period under 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 earnings of said 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 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 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.

Tel-Aviv,  
May 19, 2026

Kost Forer Gabbay & Kasierer  
Accountants

Mega Or Holdings Ltd.

Consolidated Statements of Financial Position

|                                                                                 | As of March 31   |                  | As of<br>December<br>31<br>2025 |
|---------------------------------------------------------------------------------|------------------|------------------|---------------------------------|
|                                                                                 | 2026             | 2025             |                                 |
|                                                                                 | Unaudited        |                  | Audited                         |
| NIS in thousands                                                                |                  |                  |                                 |
|                                                                                 |                  |                  |                                 |
| <b><u>Current Assets</u></b>                                                    |                  |                  |                                 |
| 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 cash and deposits                                                    | 90,177           | 69,114           | 66,886                          |
| Trade receivables                                                               | 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                         |
|                                                                                 |                  |                  |                                 |
|                                                                                 | <b>1,735,430</b> | <b>1,476,005</b> | <b>1,595,719</b>                |
|                                                                                 |                  |                  |                                 |
| <b><u>Non-current Assets</u></b>                                                |                  |                  |                                 |
| 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                       |

|                                       | As of March 31   |           | As of<br>December<br>31<br>2025 |
|---------------------------------------|------------------|-----------|---------------------------------|
|                                       | 2026             | 2025      |                                 |
|                                       | Unaudited        |           | Audited                         |
|                                       | NIS in thousands |           |                                 |
| 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                       |
|                                       |                  |           |                                 |
|                                       | 11,780,757       | 8,869,650 | 10,288,733                      |

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

Mega Or Holdings Ltd.

Consolidated Statements of Financial Position

|                                                    | As of March 31   |           | As of       |
|----------------------------------------------------|------------------|-----------|-------------|
|                                                    | 2026             | 2025      | December 31 |
|                                                    | Unaudited        |           | 2025        |
|                                                    |                  |           | Audited     |
|                                                    | NIS in thousands |           |             |
| <b>Current Liabilities</b>                         |                  |           |             |
| Credit from banking and other institutions         | 748,346          | 459,279   | 748,746     |
| Current maturities of BONDS                        | 967,937          | 717,686   | 730,930     |
| Trade payables and service providers               | 147,842          | 15,267    | 56,765      |
| Other payables and credit balances                 | 193,500          | 84,966    | 179,125     |
| Advance on account of sale of assets held for sale | 3,138            | 3,138     | 3,138       |
|                                                    | 2,060,763        | 1,280,336 | 1,718,704   |
| <b>Non-current Liabilities</b>                     |                  |           |             |
| 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         |

|                                                                                  | As of March 31   |           | As of       |
|----------------------------------------------------------------------------------|------------------|-----------|-------------|
|                                                                                  | 2026             | 2025      | December 31 |
|                                                                                  | Unaudited        |           | 2025        |
|                                                                                  |                  |           | Audited     |
|                                                                                  | NIS in thousands |           |             |
| Financial and lease liabilities                                                  | 91,183           | 69,815    | 91,652      |
| Employee benefit liabilities                                                     | 1,988            | 1,658     | 1,862       |
| Deferred taxes                                                                   | 733,746          | 436,973   | 543,825     |
|                                                                                  | 4,483,945        | 4,258,066 | 4,565,958   |
| Equity attributable to the Company's shareholders                                |                  |           |             |
| Share capital                                                                    | 381              | 366       | 366         |
| Share premium                                                                    | 1,349,809        | 737,474   | 737,474     |
| Capital reserve for transaction with a controlling shareholder                   | 68               | 68        | 68          |
| Capital reserve for transaction with non-controlling interest holders            | 48,172           | 43,986    | 48,172      |
| Capital reserve for share-based payment transactions                             | 32,706           | 26,740    | 30,557      |
| Revaluation reserve                                                              | 598              | -         | 598         |
| Capital reserve for adjustments arising from translation of financial statements | 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 are an integral part of the consolidated financial statements.

Haim Onplus  
CFO

Tzahi Nahmias  
Co-CEO

Amit Berger  
Chairman of the Board

May 19, 2026  
Date of Approval of Financial Statements

|                                                                                                         | For the 3 months ended March 31 |          | For the year ended December 31 |
|---------------------------------------------------------------------------------------------------------|---------------------------------|----------|--------------------------------|
|                                                                                                         | 2026                            | 2025     | 2025                           |
|                                                                                                         | Unaudited                       |          | Audited                        |
|                                                                                                         | NIS in thousands                |          |                                |
| Income from rental and management of real estate                                                        | 97,782                          | 76,295   | 328,941                        |
| Income from granting real estate financing loans measured at fair value through profit or loss          | 480                             | 652      | 4,751                          |
| Cost of operating and managing investment property                                                      | 6,146                           | 3,754    | 19,544                         |
| Gross Profit                                                                                            | 92,116                          | 73,193   | 314,148                        |
|                                                                                                         |                                 |          |                                |
| Group's share in earnings 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 or 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's 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 are an integral part of the condensed consolidated interim financial statements.

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 in thousands                |        |                                |
| Net profit                                                                                                      | 690,647                         | 80,450 | 849,001                        |
| Other comprehensive income (after tax effect):                                                                  |                                 |        |                                |
| <u>Items that will not be reclassified to profit or loss in the future:</u>                                     |                                 |        |                                |
| Adjustments arising from 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                            |
| <u>Items that were or will be reclassified to profit or loss in the future:</u>                                 |                                 |        |                                |
| 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 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:                                                                     |                                 |        |                                |
| Company's shareholders                                                                                          | 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 interim consolidated financial statements.



|                                                                                                                 | Attributable to the Company's shareholders |               |                                                       |                                       |                                     |                     |                                  |                   |           |                           |              |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------|-------------------------------------------------------|---------------------------------------|-------------------------------------|---------------------|----------------------------------|-------------------|-----------|---------------------------|--------------|
|                                                                                                                 | Share capital                              | Share premium | Reserve for transaction with controlling shareholders | Reserve for non-controlling interests | Reserve for translation adjustments | Revaluation reserve | Reserve for share-based payments | Retained earnings | Total     | Non-controlling interests | Total equity |
|                                                                                                                 | Audited                                    |               |                                                       |                                       |                                     |                     |                                  |                   |           |                           |              |
|                                                                                                                 | NIS in 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 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 interim consolidated financial statements.

Mega Or Holdings Ltd.

Consolidated Statements of Changes in Equity

|                                                                                                                                                                   | Attributable to the Company's shareholders |               |                                                      |                                                               |                                     |                                  |                   |           |                           |              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------|------------------------------------------------------|---------------------------------------------------------------|-------------------------------------|----------------------------------|-------------------|-----------|---------------------------|--------------|
|                                                                                                                                                                   | Share capital                              | Share premium | Reserve for transaction with controlling shareholder | Reserve for transaction with non-controlling interest holders | Reserve for translation adjustments | Reserve for share-based payments | Retained earnings | Total     | Non-controlling interests | Total equity |
| Audited                                                                                                                                                           |                                            |               |                                                      |                                                               |                                     |                                  |                   |           |                           |              |
| NIS in 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):<br>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 Company's shareholders                                                                                                                                | -                                          | -             | -                                                    | -                                                             | -                                   | -                                | (70,000)          | (70,000)  | -                         | (70,000)     |

|                                              | Attributable to the Company's shareholders |               |                                                      |                                                               |                                     |                                  |                   |           | Non-controlling interests | Total equity |
|----------------------------------------------|--------------------------------------------|---------------|------------------------------------------------------|---------------------------------------------------------------|-------------------------------------|----------------------------------|-------------------|-----------|---------------------------|--------------|
|                                              | Share capital                              | Share premium | Reserve for transaction with controlling shareholder | Reserve for transaction with non-controlling interest holders | Reserve for translation adjustments | Reserve for share-based payments | Retained earnings | Total     |                           |              |
| Dividend to non-controlling interest holders | -                                          | -             | -                                                    | -                                                             | -                                   | -                                | -                 | -         | (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 interim consolidated financial statements.

Mega Or Holdings Ltd.

Consolidated Statements of Changes in Equity

|                                                                                                        | Attributable to the Company's shareholders |               |                                     |                                                        |                                     |                     |                                  |                   |           |                           |              |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------|-------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------|----------------------------------|-------------------|-----------|---------------------------|--------------|
|                                                                                                        | Share capital                              | Share premium | Reserve for controlling shareholder | Reserve for transaction with non-controlling interests | Reserve for translation adjustments | Revaluation reserve | Reserve for share-based payments | Retained earnings | Total     | Non-controlling interests | Total equity |
| Audited                                                                                                |                                            |               |                                     |                                                        |                                     |                     |                                  |                   |           |                           |              |
| NIS in 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 revaluation reserve regarding a company accounted for using the equity method | -                                          | -             | -                                   | -                                                      | -                                   | 598                 | -                                | -                 | 598       | -                         | 598          |
| Adjustments arising from translation of financial statements of an associate                           | -                                          | -             | -                                   | -                                                      | (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           | -                                          | -             | -                                   | 4,186                                                  | -                                   | -                   | -                                | -                 | 4,186     | -                         | 4,186        |
| Lease liability                                                                                        | -                                          | -             | -                                   | -                                                      | -                                   | -                   | -                                | -                 | -         | (21,893)                  | (21,893)     |
| Share-based payment                                                                                    | -                                          | -             | -                                   | -                                                      | -                                   | -                   | 5,459                            | -                 | 5,459     | -                         | 5,459        |
| Dividend to Company's shareholders                                                                     | -                                          | -             | -                                   | -                                                      | -                                   | -                   | -                                | (130,000)         | (130,000) | -                         | (130,000)    |
| Dividend to non-controlling interest holders                                                           | -                                          | -             | -                                   | -                                                      | -                                   | -                   | -                                | -                 | -         | (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    |

The accompanying notes form 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                   |          |                                |
| <b><u>Cash flows from operating activities</u></b>                                                                |                                 |          |                                |
| Net profit                                                                                                        | 690,647                         | 80,450   | 849,001                        |
| <b>Adjustments required to present cash flows from operating activities:</b>                                      |                                 |          |                                |
| <b>Adjustments to profit or loss items:</b>                                                                       |                                 |          |                                |
| 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 on 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 on 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)                      |
| <b>Changes in asset and liability items:</b>                                                                      |                                 |          |                                |
| Decrease (increase) in trade receivables                                                                          | (2,421)                         | 1,067    | (3,724)                        |
| Increase in other receivables and debit balances                                                                  | (12,152)                        | (2,474)  | (5,392)                        |
| Decrease (increase) in long-term prepaid expenses                                                                 | -                               | (1,012)  | 1,050                          |
| Increase (decrease) in deposits from tenants                                                                      | 203,231                         | (49)     | 19,503                         |
| Increase (decrease) in trade payables and service providers                                                       | 27,578                          | (3,428)  | 4,553                          |
| Increase (decrease) in other payables and credit balances                                                         | (2,004)                         | 57       | 12,704                         |
|                                                                                                                   | 214,232                         | (5,839)  | 28,694                         |

|                                               | For the 3 months ended March 31 |          | For the year ended December 31 |
|-----------------------------------------------|---------------------------------|----------|--------------------------------|
|                                               | 2026                            | 2025     | 2025                           |
|                                               | Unaudited                       |          | Audited                        |
|                                               | NIS thousands                   |          |                                |
| Cash paid and received during the period for: |                                 |          |                                |
| 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 attached notes form 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                   |          |                                |
| <b><u>Cash flows from investing activities</u></b>                               |                                 |          |                                |
| 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)                      |
| Placement of deposits with banking corporations                                  | -                               | (70,000) | -                              |
| Payment for the 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                          |

|                                                                                           | For the 3 months ended March 31 |                | For the year ended December 31 |
|-------------------------------------------------------------------------------------------|---------------------------------|----------------|--------------------------------|
|                                                                                           | 2026                            | 2025           | 2025                           |
|                                                                                           | Unaudited                       |                | Audited                        |
|                                                                                           | NIS thousands                   |                |                                |
| Collection of (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                                       | <b>(457,959)</b>                | <b>78,520</b>  | <b>127,131</b>                 |
| <b><u>Cash flows from financing activities</u></b>                                        |                                 |                |                                |
| 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                                                 | <b>299,151</b>                  | <b>54,996</b>  | <b>355,088</b>                 |
|                                                                                           |                                 |                |                                |
| <b><u>Increase in cash and cash equivalents</u></b>                                       | <b>126,167</b>                  | <b>172,025</b> | <b>736,105</b>                 |
|                                                                                           |                                 |                |                                |
| <b><u>Balance of cash and cash equivalents at the beginning of the period</u></b>         | 1,098,205                       | 362,100        | 362,100                        |
|                                                                                           |                                 |                |                                |
| <b><u>Balance of cash and cash equivalents at the end of the period</u></b>               | <b>1,224,372</b>                | <b>534,125</b> | <b>1,098,205</b>               |

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



|                                                                                                                                                       | For the 3 months ended March 31 |       | For the year ended<br>December 31 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------|-----------------------------------|
|                                                                                                                                                       | 2026                            | 2025  | 2025                              |
|                                                                                                                                                       | Unaudited                       |       | Audited                           |
|                                                                                                                                                       | NIS thousands                   |       |                                   |
| (A) <b>Significant non-cash activities</b><br><br>Investment in investment property, investment property under development and fixed assets on credit | 106,071                         | 9,055 | 42,572                            |

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

Mega Or Holdings Ltd

Notes to the Consolidated Interim 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 interests in companies accounted for using the equity method and jointly controlled entities. The Group is engaged in the initiation, acquisition, development and construction of buildings in Israel for lease. 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. Furthermore, the Group has energy activities, including renewable energy activities 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.

On February 28, 2026, the State of Israel and the United States launched a combined offensive 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 all areas in the country were moved from full activity level to essential activity level and various restrictions were imposed, including, among others, restrictions on gathering, 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 significantly affect the Company's activities and results, as well as the completion dates for the construction of 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 the context of the Company's annual financial statements as of December 31, 2025, and for the year ended on that date and the notes accompanying them (hereinafter - the annual consolidated financial statements).

## **Note 2: - Significant Accounting Policies**

### **Format 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, and in accordance with the disclosure provisions according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

The accounting policy applied in the preparation of the interim consolidated financial statements is consistent with that applied in the preparation of the annual consolidated financial statements.

## **Note 3: - Contingent Liabilities**

There is no change in the contingent liabilities of the Company.

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

## **Note 4: - Significant Events During the Reporting Period and Thereafter**

- 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 which will be provided in two facilities established by Mega DC in the Yoav Regional Council ("the facility in Masmiya") and in Beit Shemesh ("the facility in Beit Shemesh"). The delivery date of the facility in Masmiya to the customer will occur during the third quarter of 2026 and the facility in Beit Shemesh will be delivered in stages starting from the third quarter of 2026 until the first quarter of 2027. The annual revenues net of operation and maintenance costs of all systems will amount to approximately NIS 320 million.

**Notes to the Condensed Consolidated Interim Financial Statements**

**Mega Or Holdings Ltd.**

**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, serving as security to guarantee payment for the aforementioned services.

**B.** On January 29, 2026, Mega DC Ltd. entered into an agreement with a third party who is not a related party to the Company and/or the controlling shareholder, to purchase all of 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, for a consideration of approximately NIS 180 million. As of the date of the report, the purchase was 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 and service providers of the Company. According to the plan, the warrants will be granted for no consideration and are exercisable into 197,672 registered ordinary shares of NIS 0.01 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's decision regarding the grant of the warrants.

The average economic value of a warrant is approximately NIS 156.43 and a total of 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, exercise price of NIS 339.79, 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; 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 (VESTING) of the warrants shall be such that one quarter of the warrants shall be exercisable after two years from the date of allocation. One quarter of the warrants shall be exercisable after three years from the date of allocation. One quarter of the warrants shall be exercisable after four years from the date of allocation. One quarter of the warrants shall be exercisable after five years from the date of allocation. The allocated warrants shall be exercisable by the offeree in full or in part from time to time, provided that the offeree is employed and/or providing services to the Company and/or a company under its control, directly and/or indirectly, and not later than the passing of three (3) years from the date of allocation for tranche 1, not later than the passing of four (4) years from the date of allocation for tranche 2, not later than the passing of five (5) years from the date of allocation for tranche 3, and not later than the passing of six (6) years from the date of allocation for tranche 4.

**D.** On February 10, 2026, Mega DC entered into an agreement with an international technological corporation for the construction of a Powered Shell structure 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 of approximately NIS 72,714 thousand was paid (after issuance of share capital).

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

**G.**

On March 4, 2026, the Company completed an issuance of Company shares, in the scope 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, for a total consideration of NIS 615,000 thousand, reflecting a price of NIS 446.5 per share.

- H.** After the reporting period, on April 15, 2026, Mega DC Ltd. entered into an agreement with a third party who is not a related party to the Company and/or the controlling shareholder (hereinafter - the "Seller"), to purchase all of the Seller's rights in a land block of approximately 180 dunams located in the northern industrial zone of Hadera, for a consideration of approximately NIS 1 billion. As of the report publication date, the land purchase was completed.
- I.** After the reporting period, on April 16, 2026, in light of an improvement in the financial situation and expected future growth, the rating agency raised the Company's issuer rating to iIAA- and the Company's BONDS rating to iIAA.

**Mega Or Holdings Ltd. Notes to the Condensed Consolidated Interim Financial Statements**

**Note 4: - Material Events during and after the Reporting Period (Continued)**

- J.** After the report 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 was set at 2.66% (nominal interest 0.84%). Total gross consideration 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 report 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 was set at 2.92% (nominal interest 0.97%). Total gross consideration 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 report 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**

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

|                                     | March 31, 2026     |                   | March 31, 2025     |                   | December 31, 2025  |                   |
|-------------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
|                                     | <u>Balance (*)</u> | <u>Fair Value</u> | <u>Balance (*)</u> | <u>Fair Value</u> | <u>Balance (*)</u> | <u>Fair Value</u> |
|                                     | Unaudited          |                   |                    |                   | Audited            |                   |
|                                     | NIS thousands      |                   |                    |                   |                    |                   |
| <b><u>Financial Liabilities</u></b> |                    |                   |                    |                   |                    |                   |

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

- (\*) Book balance includes interest payable for the financial liabilities.
- (1) Fair value (Level 3 of the fair value hierarchy) is based on discounted cash flows at a real interest rate (CPI-linked loans) and shekel interest rate.
- (2) BONDS Series 6, 7, 8, 9, 10, 11, 12 (CPI-linked) - Fair value is based on quoted prices in an active market as of the balance sheet date (Level 1 of the fair value hierarchy).

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

Notes to the Condensed Consolidated Interim Financial Statements

Mega Or Holdings Ltd.

**Note 6: - Financial Statements of Jointly Controlled Companies accounted for using 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)   |



|                         | March 31      |         | December 31 |
|-------------------------|---------------|---------|-------------|
|                         | 2026          | 2025    | 2025        |
|                         | Unaudited     |         | Audited     |
|                         | NIS thousands |         |             |
| Total investment in DIC | 497,186       | 418,000 | 493,299     |

|                                                      | For the 3 months ended March 31 |          | For the year ended December 31 |
|------------------------------------------------------|---------------------------------|----------|--------------------------------|
|                                                      | 2026                            | 2025     | 2025                           |
|                                                      | Unaudited                       |          | Audited                        |
| Results of DIC's operations during the period:       | NIS thousands                   |          |                                |
| Income                                               | 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's profit                      | 5,083                           | 26,013   | 29,302                         |
| Total Company's share in DIC's profit                | 5,083                           | 26,013   | 29,302                         |
| Profit from reversal of impairment (impairment loss) | -                               | (29,189) | 61,060                         |
| Total profit (loss) from DIC                         | 5,083                           | (3,176)  | 90,362                         |

Notes to the Condensed Consolidated Interim Financial Statements

Mega Or Holdings Ltd.

**Note 7: - Appreciation of Investment Property and Investment Property under Development, net**

**A.**

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

**B. Fair Value of Investment Property under Development (Level 3 of the fair value hierarchy):**

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 key variables affecting the ability to determine a reliable value for the Data Center facilities under construction. Among other things, the level of certainty strengthened regarding the delivery dates of critical electro-mechanical systems, 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 supporting the commercial maturity of the projects and the ability to estimate the expected economic benefits from them. In view of the above, the Group conducted a valuation for the facilities under construction as of March 31, 2026.

The valuation of investment property under development used the discounted cash flow (DCF) method, as found appropriate by the appraiser. The determination of fair value is based on the estimate of future income expected from the completed project, using adjusted returns (discount rate of 8.15%) for the significant risks relevant to the construction process, including construction and leasing risks which are higher than current returns for similar completed investment property assets. The remaining expected costs to completion, plus entrepreneurial profit, are deducted from the estimate of future income as mentioned above. Cash flows were determined based on prices in 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.

**Note 9: - Operating Segments**

**A. General**

Operating segments were determined based on the information reviewed by the Chief Operating Decision Maker (CODM) for the purposes of making decisions 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 the financing of investment property was presented within the "Other" segment.

During the last quarter of 2025, due to an increase in the volume of actual revenues, expected significant growth in future revenues from the establishment and operation of Data Centers and its expected significant impact on the Company's activities, the Company conducted a re-examination of the reportable segments in its financial statements and found that the Investment Property activity (Data Centers) 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) | - | Establishment and management of commercial spaces in shopping centers and logistics centers/industrial buildings in Israel. |
| 2. | Investment Property (Data Centers)                                     | - | Establishment 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 comparison figures in the Company's operating segments note for the first quarter of 2025 were restated.

The CODM reviews segment assets excluding 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 CODM 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 reviewed on the basis of gross profit or loss.

The Company monitors its performance in accordance with consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards). Segment revenues and segment profit in this note include the revenues of associates and joint ventures and gross profit, respectively, according to the Company's holding rate in these associates and joint ventures, specifically in relation to the investment property segments (logistics centers, commercial centers, plots, and Data Centers). The Company's share in the revenues and gross profit of said associates and joint ventures is eliminated in the "Adjustments" column, in order to align the segment data with the Company's financial statements.

**Note 9: - Operating Segments (Cont.)**

**A. Reporting on Operating Segments**

|                                                                                                                               | Investment Property                                      |                 |                      |       |             |          |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------|----------------------|-------|-------------|----------|
|                                                                                                                               | Logistics centers,<br>commercial<br>centers<br>and plots | Data<br>Centers | Investment<br>in DIC | Other | Adjustments | Total    |
|                                                                                                                               | NIS thousands                                            |                 |                      |       |             |          |
| <b><u>For the three-month period ended March 31, 2026 (Unaudited)</u></b>                                                     |                                                          |                 |                      |       |             |          |
| Segment revenues                                                                                                              | 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<br>companies accounted for using the<br>equity method, net                                        |                                                          |                 |                      |       |             | 956      |
| Increase in fair value of investment<br>property and investment property<br>under development and other<br>depreciations, net | 47,885                                                   | 777,667         | -                    | -     | 1,735       | 827,287  |
| General and administrative<br>expenses                                                                                        |                                                          |                 |                      |       |             | (12,689) |
| Other expenses, net                                                                                                           | -                                                        | -               | -                    |       |             | (174)    |
| <b>Operating profit</b>                                                                                                       |                                                          |                 |                      |       |             | 912,579  |
| Finance income                                                                                                                |                                                          |                 |                      |       |             | 64,928   |
| Finance expenses                                                                                                              |                                                          |                 |                      |       |             | (65,094) |
| Revaluation of investments<br>measured at fair value through<br>profit or loss (Big Shopping Centers)                         |                                                          |                 |                      |       |             | (17,518) |
| <b>Profit before taxes on income<br/>from continuing operations</b>                                                           |                                                          |                 |                      |       |             | 894,895  |

Note 9: - Operating Segments (Cont.)

|                                                                         | Investment Property                                   |                 | Investment<br>in DIC | Other | Adjustments | Total         |
|-------------------------------------------------------------------------|-------------------------------------------------------|-----------------|----------------------|-------|-------------|---------------|
|                                                                         | Logistics centers,<br>commercial centers<br>and plots | Data<br>Centers |                      |       |             |               |
| <u>For the three-month period ended<br/>March 31, 2025 (Unaudited).</u> | NIS thousands                                         |                 |                      |       |             |               |
| Segment revenues                                                        | 96,561                                                | -               | -                    | 652   | (20,266)    | <b>76,947</b> |

|                                                                                                                               | Investment Property                                   |                 | Investment<br>in DIC | Other   | Adjustments     | Total                |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------|----------------------|---------|-----------------|----------------------|
|                                                                                                                               | Logistics centers,<br>commercial centers<br>and plots | Data<br>Centers |                      |         |                 |                      |
| <b><u>For the three-month period ended<br/>March 31, 2025 (Unaudited)</u></b>                                                 | NIS thousands                                         |                 |                      |         |                 |                      |
| <b>Segment profit</b>                                                                                                         | <b>92,012</b>                                         | -               | <b>26,013</b>        | 652     | <b>(19,471)</b> | <b>99,206</b>        |
| Group's share in profits of companies<br>accounted for using the equity method,<br>net                                        |                                                       |                 |                      |         |                 | 23,569               |
| Increase in fair value of investment<br>property and investment property under<br>development and other depreciations,<br>net | 97,606                                                | -               | -                    | (1,725) | (8,383)         | 87,498               |
| General and administrative expenses                                                                                           |                                                       |                 |                      |         |                 | (11,131)             |
| Other expenses, net                                                                                                           | -                                                     | -               | (29,189)             |         | (295)           | (29,484)             |
| <b>Operating profit</b>                                                                                                       |                                                       |                 |                      |         |                 | <b>169,658</b>       |
| Finance income                                                                                                                |                                                       |                 |                      |         |                 | 11,650               |
| Finance expenses                                                                                                              |                                                       |                 |                      |         |                 | (65,400)             |
| Revaluation of investments measured at<br>fair value through profit or loss (Big<br>Shopping Centers)                         |                                                       |                 |                      |         |                 | (30,539)             |
| <b>Profit before taxes on income from<br/>continuing operations</b>                                                           |                                                       |                 |                      |         |                 | <b><u>85,369</u></b> |

Note 9: - Operating Segments (Cont.).

|                                                 | Investment Property                                         |                 |                      |       |             |         |
|-------------------------------------------------|-------------------------------------------------------------|-----------------|----------------------|-------|-------------|---------|
| <b>For the year ended December<br/>31, 2025</b> | Logistics<br>centers,<br>commercial<br>centers and<br>plots | Data<br>Centers | Investment<br>in DIC | Other | Adjustments | Total   |
|                                                 | NIS thousands                                               |                 |                      |       |             |         |
| Segment revenues                                | 404,000                                                     | 13,300          | -                    | 4,751 | (88,359)    | 333,692 |
| Segment profit                                  | 385,140                                                     | 9,525           | 29,302               | 4,751 | (85,268)    | 343,450 |



|                                                                                                                      | Investment Property                             |              |                   |       |             |           |
|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------|-------------------|-------|-------------|-----------|
| <u>For the year ended December 31, 2025</u>                                                                          | Logistics centers, commercial centers and plots | Data Centers | Investment in DIC | Other | Adjustments | Total     |
|                                                                                                                      | NIS thousands                                   |              |                   |       |             |           |
| 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   |
| General and administrative expenses                                                                                  |                                                 |              |                   |       |             | (45,591)  |
| Other expenses, net                                                                                                  |                                                 |              | 61,060            |       | (20,363)    | 40,697    |
| Operating profit                                                                                                     |                                                 |              |                   |       |             | 793,473   |
| Finance income                                                                                                       |                                                 |              |                   |       |             | 223,503   |
| Finance 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 |

Mega Or Holdings Ltd.

Notes to the Consolidated Interim Financial Statements

Note 9: - Operating Segments (Continued)

B. Additional Information

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

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

\* Reclassified

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

**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 the 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 then ended. 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 did not review the separate interim financial information from the financial statements of investee companies whose assets less liabilities attributed to them, net, amounted to approximately NIS 824,160 thousand as of March 31, 2026 and whose share of the Company in the profits of these companies amounted to approximately NIS 8,914 thousand for the three-month period then ended. 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

**Special report according to regulation 38d**  
**Financial data and financial information from the consolidated interim financial statements**  
**Attributed to the Company**

Below 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.





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     |                  |                   |
| <b><u>Current assets</u></b>                                                    |                   |                  |                   |
| 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           | -                 |
| Pledged cash in trust                                                           | 90,177            | 69,114           | 66,886            |
| Tenants                                                                         | 12,199            | 7,006            | 7,761             |
| Debtors and debit balances                                                      | <u>75,859</u>     | <u>61,068</u>    | <u>61,118</u>     |
|                                                                                 | 999,943           | 777,612          | 1,046,936         |
| Assets held for sale                                                            | <u>265,750</u>    | <u>599,233</u>   | <u>285,012</u>    |
|                                                                                 | <u>1,265,693</u>  | <u>1,376,845</u> | <u>1,331,948</u>  |
| <b><u>Non-current assets</u></b>                                                |                   |                  |                   |
| Assets less liabilities attributed to held 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         |
| Property, plant and equipment                                                   | 4,535             | 3,702            | 4,621             |
| Goodwill                                                                        | <u>4,906</u>      | <u>4,906</u>     | <u>4,906</u>      |
|                                                                                 | <u>9,525,779</u>  | <u>7,074,141</u> | <u>8,432,070</u>  |
|                                                                                 | <u>10,791,472</u> | <u>8,450,986</u> | <u>9,764,018</u>  |

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 reports on the financial position attributed to the Company

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

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

May 19, 2026

Amit Berger

Tzachi Nahmias

Oneplus Haim

Date of approval of the financial reports

Chairman of the Board of Directors

Joint CEO

CFO

Mega Or Holdings Ltd.

Financial data from the consolidated reports on total profit attributed to the Company

|                                                                                                     | For the 3 months ended<br>March 31 |          | For the year<br>ended<br>December 31 |
|-----------------------------------------------------------------------------------------------------|------------------------------------|----------|--------------------------------------|
|                                                                                                     | 2026                               | 2025     | 2025                                 |
|                                                                                                     | Unaudited                          |          | Audited                              |
|                                                                                                     | NIS thousands                      |          |                                      |
| Income from providing services, leasing and managing investment property                            | 60,750                             | 51,631   | 227,604                              |
| Income from providing 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                              |
| Increase in value of investment property and investment property under construction                 | 50,383                             | 84,280   | 126,436                              |
| Company's share in profits of held companies, 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                              |
| Finance income                                                                                      | 29,586                             | 21,988   | 265,956                              |
| Finance 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 income taxes                                                                          | 700,221                            | 80,316   | 955,595                              |
| Income taxes                                                                                        | (10,772)                           | (1,858)  | (111,260)                            |
| Net profit attributed to the Company                                                                | 689,449                            | 78,458   | 844,335                              |
| Other total profit (loss) (after tax effect):                                                       |                                    |          |                                      |
| Amounts that will not be reclassified in the future to profit or loss:                              |                                    |          |                                      |

|                                                                                                                       | For the 3 months ended<br>March 31 |               | For the year<br>ended<br>December 31 |
|-----------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------|--------------------------------------|
|                                                                                                                       | 2026                               | 2025          | 2025                                 |
|                                                                                                                       | Unaudited                          |               | Audited                              |
|                                                                                                                       | NIS thousands                      |               |                                      |
| Adjustments arising from a revaluation fund for a company accounted for under the equity method                       | -                                  | -             | 598                                  |
| Total other total profit that will not be transferred to profit or loss                                               | -                                  | -             | 598                                  |
| Amounts that were reclassified or will be reclassified in the future to profit or loss:                               |                                    |               |                                      |
| Adjustments arising from the translation of financial statements of an associate                                      | (454)                              | 3,282         | (18,223)                             |
| <b>Total other total profit (loss) which was reclassified or will be reclassified in the future to profit or loss</b> | (454)                              | 3,282         | (18,223)                             |
| <b>Total other total profit (loss)</b>                                                                                | <b>(454)</b>                       | <b>3,282</b>  | <b>(17,625)</b>                      |
| <b>Total total profit attributed to the Company's shareholders</b>                                                    | <b>688,995</b>                     | <b>81,740</b> | <b>826,710</b>                       |

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 reports on the cash flows attributed to the Company

|                                                                                           | For the 3 months ended<br>March 31 |               | For the<br>year ended<br>December<br>31 |
|-------------------------------------------------------------------------------------------|------------------------------------|---------------|-----------------------------------------|
|                                                                                           | 2026                               | 2025          | 2025                                    |
|                                                                                           | Unaudited                          | Unaudited     | Audited                                 |
|                                                                                           | NIS thousands                      |               |                                         |
| <u>Cash flows from current activities of the Company.</u>                                 |                                    |               |                                         |
| <u>Net profit attributed to the Company.</u>                                              | <u>689,449</u>                     | <u>78,458</u> | <u>844,335</u>                          |
| <u>Adjustments required to present cash flows from current activities of the Company:</u> |                                    |               |                                         |
| <u>Adjustments for profit or loss items of the Company:</u>                               |                                    |               |                                         |

|                                                                                                                    | For the 3 months ended<br>March 31 |           | For the<br>year ended<br>December<br>31 |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------|-----------------------------------------|
|                                                                                                                    | 2026                               | 2025      | 2025                                    |
|                                                                                                                    | Unaudited                          | Unaudited | Audited                                 |
|                                                                                                                    | NIS thousands                      |           |                                         |
| Depreciation                                                                                                       | 260                                | 217       | 964                                     |
| Increase in the fair value of investment property, investment property under development and other reductions, net | (50,383)                           | (84,280)  | (126,437)                               |
| Revaluation of BONDS                                                                                               | 616                                | 12,198    | 105,404                                 |
| Loss from disposal of property, plant and equipment                                                                | 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 debts for collection                                                                      | (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 held companies, net                                                                  | (653,156)                          | (61,014)  | (325,115)                               |
| Provision for impairment of investment in DIC                                                                      | -                                  | 29,189    | (61,060)                                |
| Finance expenses (income), net                                                                                     | 39,451                             | (894)     | 22,366                                  |
| Income taxes                                                                                                       | 10,772                             | 1,858     | 111,260                                 |
|                                                                                                                    | (593,844)                          | (34,935)  | (650,981)                               |
| Changes in assets and liabilities 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                                     |
| 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                                   |



|                                                                       | For the 3 months ended<br>March 31 |               | For the<br>year ended<br>December<br>31 |
|-----------------------------------------------------------------------|------------------------------------|---------------|-----------------------------------------|
|                                                                       | 2026                               | 2025          | 2025                                    |
|                                                                       | Unaudited                          | Unaudited     | Audited                                 |
|                                                                       | NIS thousands                      |               |                                         |
| Interest paid                                                         | (47,953)                           | (33,595)      | (126,464)                               |
| Interest received                                                     | 10,867                             | 23,638        | 103,287                                 |
|                                                                       | (35,286)                           | (9,941)       | (20,049)                                |
| <b><u>Net cash provided by current activities of the Company.</u></b> | <b>59,122</b>                      | <b>37,045</b> | <b>150,023</b>                          |

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 reports on cash flows attributed to the Company

|                                                                                     | For the 3 months ended<br>March 31 | For the year ended<br>December 31 |           |
|-------------------------------------------------------------------------------------|------------------------------------|-----------------------------------|-----------|
|                                                                                     | 20262025                           | 2025                              |           |
|                                                                                     | Unaudited                          | Audited                           |           |
|                                                                                     | NIS thousands                      |                                   |           |
| Cash flows from investing activities of the Company                                 |                                    |                                   |           |
| Acquisition 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 corporations                                                    | -                                  | (70,000)                          | -         |
| Sale (acquisition) 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 acquisition of other investments                                    | -                                  | -                                 | 4         |
| Granting of 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 financing activities of the Company                                 |                                    |                                   |           |
| Issuance of share capital (after deducting issuance expenses)                       | 612,351                            | -                                 | -         |
| Dividend paid to the Company's shareholders                                         | (72,714)                           | (70,000)                          | (130,000) |
| Issuance of BONDS (after deducting issuance expenses)                               | -                                  | 344,823                           | 808,980   |
| Repayment of BONDS                                                                  | (263,856)                          | (258,757)                         | (730,662) |
| Short-term credit from banking corporations and others, net                         | (54)                               | 3,212                             | (101,514) |

|                                                                     | For the 3 months ended<br>March 31<br>20262025 | For the year ended<br>December 31<br>2025 |           |
|---------------------------------------------------------------------|------------------------------------------------|-------------------------------------------|-----------|
|                                                                     | Unaudited                                      | Audited                                   |           |
|                                                                     | NIS thousands                                  |                                           |           |
| 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                                 |                                                |                                           |           |
| Change in cash and cash equivalents                                 | (63,226)                                       | 131,263                                   | 541,357   |
| Balance of cash and cash equivalents at the beginning of the period |                                                |                                           |           |
| 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       |                                                |                                           |           |
| 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 reports on 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                   |              |                                |
| <b><u>Significant non-cash activities in the Company</u></b>                                                         |                                 |              |                                |
| Investment in investment property, investment property under development and property, plant and equipment on credit | <u>15,136</u>                   | <u>6,167</u> | <u>10,807</u>                  |

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

Additional Information

Mega Or Holdings Ltd.

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1. General

This separate financial information is prepared in a condensed format as of March 31, 2026, and for a period of three months 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 reviewed in the context of the separate financial information on the Company's annual financial reports as of December 31, 2025, and for the year ended on that same date and the additional information which accompanies them.

2. Significant Accounting Policy

**The format for preparation of the consolidated interim financial statements**

The accounting policies applied in the preparation of this separate financial information are consistent with those applied in the preparation of the separate financial information as of December 31, 2025, except as stated in Note 2A to the consolidated reports.

3. Significant events during the reporting period and thereafter

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

# Chapter D

Quarterly report regarding the effectiveness of the internal control over financial reporting and disclosure

I



|                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| Chapter D – Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1 |
| <b>Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and on Disclosure according to Regulation 38C(a) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970:</b> | 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 over disclosure in the Corporation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |   |
|                                                                                                                                                                                                                       | In this regard, the members of management are:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |   |
|                                                                                                                                                                                                                       | 1. Zachi Nahmias, Co-CEO.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |   |
|                                                                                                                                                                                                                       | 2. Haim Unfous, CFO.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |   |
|                                                                                                                                                                                                                       | Internal control over financial reporting and disclosure includes controls and procedures existing in the Corporation which were designed by the General Manager and the most senior officer in the finance field or under their supervision or by the person who actually performs the said roles, under the supervision of the Corporation's Board of Directors and which were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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. Internal control includes, among other things, 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 the General Manager and the most senior officer in the finance field or to the person who actually performs the said roles, in order to allow 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 misstatement or omission of information in reports will be prevented or discovered. |   |
|                                                                                                                                                                                                                       | In the annual report on 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 " <b>Latest Annual Report on Internal Control</b> "), the Board of Directors and management evaluated the internal control in the Corporation. Based on this evaluation, the Board of Directors and the management of the Corporation reached the conclusion that the internal control as of March 31, 2026 is <u><b>effective</b></u> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |   |
|                                                                                                                                                                                                                       | 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 internal control, as presented in the framework of the Latest Annual Report on Internal Control;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |
|                                                                                                                                                                                                                       | As of the date of the report, based on the evaluation of the effectiveness of internal control in the Latest Annual Report on Internal Control, and based on information brought to the attention of the management and the Board of Directors as stated above: <u><b>internal control is effective;</b></u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |   |
| Chapter D – Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2 |

**Managers' Declaration  
pursuant to Regulation  
38C(d)(1) of the  
Securities Regulations  
(Periodic and Immediate  
Reports) 5730 - 1970.**

I, Zachi 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 the best of 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 in which those representations were included, will not be misleading with respect to the reporting period;
3. To the best of 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 refer;
4. I have disclosed to the Corporation's auditing accountant, to the Board of Directors and to the Audit Committee and Balance Sheet Committee of the Corporation's Board of Directors, based on my most recent evaluation of internal control over financial reporting and disclosure:
  - 4.1. All significant deficiencies and material weaknesses in the determination or operation of internal control over financial reporting and disclosure that could reasonably adversely affect the Corporation's ability to collect, process, summarize or report financial information in a way that casts doubt on the reliability of financial reporting and the preparation of the financial statements in accordance with the provisions of the law; and also-
  - 4.2. Any fraud, whether material or not, involving the General Manager or those who report directly 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. Established controls and procedures, or ensured the establishment 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) 5770-2010, is brought to my attention by others in the Corporation and the consolidated companies, particularly during the period of preparation of the reports; and also -
  - 5.2. Established controls and procedures, or ensured the establishment and existence of controls and procedures under my supervision, designed to provide reasonable assurance as to 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 Corporation's internal control over financial reporting and disclosure.

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

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

**Managers' Declaration according to Regulation 38C(d)(2) of the Securities Regulations (Periodic and Immediate Reports) 5730 - 1970.**

- I, Haim Unfous, declare that:
1. I have examined the interim financial statements and 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 the best of my knowledge, the reports and other financial information included in the reports for the interim period 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 in which those representations were included, will not be misleading with respect to the reporting period;
  3. To the best of my knowledge, the reports and other financial information included in the interim period 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 refer;
  4. I have disclosed to the Corporation's auditing accountant, to the Board of Directors and to the Audit Committee and to the Balance Sheet Committee of the Corporation's Board of Directors, based on my most recent evaluation of internal control over financial reporting and disclosure:
    - 4.1. All significant deficiencies and material weaknesses in the determination or operation of internal control over financial reporting and disclosure, as it relates to the financial statements and other financial information included in the interim period reports, which could reasonably adversely affect the Corporation's ability to collect, process, summarize or report financial information in a way that casts doubt on the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law; and also-
    - 4.2. Any fraud, whether material or not, involving the General Manager or those who report directly to him or involving other employees who have a significant role in internal control over financial reporting and disclosure;
  5. I, alone or together with others in the Corporation:

- 5.1. Established controls and procedures, or ensured the establishment and existence of controls and procedures under my supervision, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 5770-2010, 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 in the consolidated companies, particularly during the period of preparation of the reports; and also -
- 5.2. Established controls and procedures, or ensured the establishment and existence of controls and procedures under my supervision, designed to provide reasonable assurance as to the reliability of financial reporting and the preparation of 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 Corporation's internal control over financial reporting and disclosure.

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

Date: May 19, 2026

Signature, Name and Title: Haim Unfous – CFO

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Fax +972-3-5622555      144 Menachem Begin St.  
ey.com      Tel Aviv 6492102

To  
The Board of Directors of  
Mega Or Holdings Ltd. ("the Company")  
Address: Shilat Industrial Area 73188

Dear Sirs,

**Subject: Consent letter regarding the shelf prospectus of the Company from November 2024**

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

1. Review report of the auditing accountant 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. Special report of the auditing accountant 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) 5730 – 1970.

Kost Forer Gabbay & Kasierer  
Accountants

Tel Aviv,  
May 19, 2026