

Immediate Report on Dividend Distribution in Cash for Securities - REIT 1 LTD

Registry Number: 513821488

To: Israel Securities Authority (www.isa.gov.il) and the Tel Aviv Stock Exchange (www.tase.co.il)

MAGNA Transmission Date: 19/11/2025

Reference Number: 2025-01-089419

The corporation will schedule the report for publication on: 20/11/2025 07:50

1. Dividend Declaration

We hereby report that on **19/11/2025** a decision was made regarding the payment of a dividend.

2. Record Date (Ex-Date)

Record date: 08/12/2025

Dividend payment date: 18/12/2025

3. Payment Details

- Type of Dividend:** Dividend distributed by a Real Estate Investment Trust (REIT), for details on dividend sources and tax rates see Section 7c below.

Eligible Security Number	Security Name	Dividend Per Security	Dividend Currency	Payment Currency	Payment Exchange Rate Date	Individuals Tax %	Corporate Tax %
1098920	REIT 1 Ordinary Share	0.215	NIS	NIS	_____	43.70	23.00

The dividend amount per security is final. The total dividend amount may change if additional shares are allotted before the record date.

Total dividend to be paid: 43,097,478 NIS

4. Retained earnings following this distribution (as per Section 302 of the Companies Law, 1999):

2,563,763,522 NIS

5. Dividend Approval Process

Board resolution dated 19 November 2025—see section 10 below for resolution details.

This distribution does NOT require court approval under section 303 of the Companies Law.

6. Final dividend amount per share is subject to changes as follows:

No information provided.

It is possible to update the final dividend per share up to 2 trading days before the record date.

7. Details Regarding Withholding Tax Rates

7a. Dividend Sources from Israeli Resident Company (excluding REIT)

For detailed withholding tax rates and source types see original document tables.

7b. Dividend from Foreign Company

Beneficiaries	Individuals	Corporations	Foreign Residents
Tax Rate	25%	23%	0%

7c. Dividend by Real Estate Investment Trust (REIT)

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

Source	% of Dividend	Individuals	Companies	Foreign Companies	Exempt Mutual Fund	Provident Fund
From real estate, capital gain, depreciation (3)	15	25%	23%	23%	0%	0%
Other taxable income (e.g., rental fees)	85	47%	23%	23%	23%	0%
From income-producing real estate for residential leasing purposes	0	20%	20%	20%	0%	0%
Income already taxed by the fund	0	25%	0%	25%	0%	0%
Extraordinary income	0	70%	70%	70%	60%	70%
Other	0	0	0	0	0	0
Weighted withholding tax rate (%):	100	43.70	23.00	23.00	19.55	0.00

The weighted tax rate is determined according to the composition of the dividend sources detailed above. Should tax rates change, tax will be withheld at the rates effective on the dividend payment date. Tax will be withheld at the above rates unless a written exemption from withholding is obtained from the Tax Authority in advance.

8. Number of dormant (non-eligible) securities: 0

9. Effect of Dividend Distribution on Convertible Securities

- The dividend distribution **affects convertible securities** as follows:

Security Name	Security Number	Remarks
(Unlisted) warrants for shares	1133404	The gross dividend amount will be subtracted from the current exercise price.

10. Directors' Recommendations and Resolutions Regarding Dividend Distribution

1. On 19 November 2025, the board approved the distribution of the dividend in respect of Q3 2025, in the amount of 0.215 NIS per share as specified above (the “Dividend”), as part of the annual dividend for 2025. Approval was given pursuant to the dividend policy that the annual dividend will not be less than the entire annual taxable income. In March 2025, the company stated that the total dividend for 2025 will not be less than about NIS 168 million (0.86 NIS per share according to the number of shares existing as at decision date). Dividend policy is subject to law, including the Companies Law, 1999, and provisions of the Israeli Income Tax Ordinance regarding REITs. The board may change the dividend policy at its discretion.
2. As a REIT, the company is required by law to distribute at least 90% of its annual taxable income and may (but is not required to) distribute amounts equal to depreciation expenses.
3. The board approved the dividend distribution based on the reviewed financial statements as of 30 September 2025 and after reviewing existing and expected commitments that the company must meet over the next two years, with emphasis on BONDS, cash and financial asset balances, unused and signed credit facilities, and the company’s FFO estimate. The board also examined the effect of the business environment and its financial results on its ability to fulfill those commitments post-dividend, concluding that the distribution will not harm the company’s financial stability. The board presented safety margins in its plans and sensitivity analyses for critical operational assumptions. For further details regarding the effect of the business environment, see Section 5, Chapter A and Section 1.1, Chapter B of the periodic report for 2024 (published 16 March 2025) and Section 1.1 of the quarterly board report as of 30 September 2025 (published 20 November 2025).
4. The board approved the distribution according to the requirements set under Section 302 of the Companies Law:
 - **Profit Test:** As of 30 September 2025, retained earnings were approximately NIS 2,607 million, and following this dividend NIS 2,564 million.
 - **Solvency Test:** The board reviewed the company’s FFO, cash and liquid investments, unused credit facilities, financial debt, and expected repayments. The board’s position is that the distribution won’t harm financial stability, based on several main parameters: (a) regular strong cash flow from diversified leasing contracts; (b) most income-generating assets are unencumbered; (c) significant cash and liquid investments, unused, signed credit facilities—no reliance on asset liquidation for operations; (d) company’s ability to raise additional funds.
5. The distribution is not expected to impair shareholders’ equity, which stood at 4.46 billion NIS (prior to dividend), with no warning signs (as defined in the Periodic and Immediate Reports Regulations, 1970) in the reviewed accounts as of 30 September 2025.
6. The board reviewed compliance for REIT rules, trust deeds of BONDS issued, and relevant agreements.
7. The board does not rely on distribution of profits arising from increases in fair value of investment real estate.
8. In the board’s opinion, the distribution will not materially affect the company’s capital structure, leverage, required financial ratios, or ability to continue operating.
9. Based on the above, the board determined, with respect to the company’s financial position at distribution date, there is no reasonable concern that the distribution will prevent the company from meeting current and foreseeable obligations. The decision is based, among other factors, on forward-looking information, such as forecasted cash flows, and especially the FFO estimate, which is uncertain. Actual results may differ materially from this estimate.

Authorized signatories on behalf of the corporation:

No.	Name	Position
1	Dror Gad	Chairman of the Board
2	Aviram Benasuli	CFO

--

This translation aims to preserve accuracy of content and terminology. Numbers and tax rates are presented as specified; for legal or financial actions, refer to the original document in Hebrew.