

# Shikun & Binui Ltd.

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("The Company")

August 26, 2025

To:

Israel Securities Authority  
22 Kanfei Nesharim St.  
Jerusalem

Tel Aviv Stock Exchange Ltd  
2 Ahuzat Bayit St.  
Tel Aviv

Dear Sir/Madam,

## Re: Immediate Report Regarding a Material Private Placement

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Further to the Company's immediate report dated August 25, 2025 (Reference: 2025-01-063295), the Company is pleased to hereby report a material, non-extraordinary private placement of 20,000,000 ordinary shares of NIS 1 par value each of the Company ("Ordinary Shares"), at a price of NIS 15 per ordinary share, for a total (gross) consideration of NIS 300 million, in accordance with the Securities Regulations (Private Placement of Securities in a Listed Company), 2000, as detailed below:

### 1. The Offered Securities

- A total of 20,000,000 ordinary shares ("the Allocated Shares"), which will be allocated (subject to the approval of the stock exchange for listing for trading) to classified investors who, according to their declaration, are investors for the purpose of Section 15A(b)(1) of the Securities Law, 1968 ("Securities Law" and "the Offerees", respectively).
- To the best of the Company's knowledge, out of the Allocated Shares, a total of 14,000,002 ordinary shares are allocated to entities from the Phoenix Holdings Ltd group ("Phoenix") and to an entity from the Menora Mivtachim Holdings Ltd group ("Menora"), who are among the Offerees, and are an "Interested Party" as defined in Section 270(5) of the Companies Law, 1999. Accordingly, with respect to these Offerees, the private placement according to this report is material, and with respect to the other Offerees, the private placement is not material.
- The Allocated Shares will constitute approximately 3.52% of the issued and paid-up share capital of the Company listed for trading and of the voting rights therein (after and subject to the completion of the allocation according to this report) and approximately 3.41% on a fully diluted basis.

## **2. Terms of the Offered Securities**

- The Allocated Shares will be allocated to the Offerees in the name of Mizrahi Tefahot Registration Company Ltd and will be registered for trading on the Tel Aviv Stock Exchange Ltd ("the Stock Exchange") shortly after their allocation (and subject to the approval of the Stock Exchange).

The Allocated Shares will be fully paid and will have equal rights, for all intents and purposes, to the rights granted to holders of ordinary shares of the Company, existing in the issued and paid-up share capital of the Company.

## **3. Consideration**

The price of the Allocated Shares to the Offerees is NIS 15 per share, and a total of NIS 300 million (gross) ("the Consideration"). The Consideration was determined in negotiations between the Company and the Offerees and will be paid to the Company in cash concurrently with the allocation of the Allocated Shares. The Consideration is expected to be used by the Company for its needs, all subject to and in accordance with the resolutions of the Company's Board of Directors as may be adopted from time to time.

The price of one share on the trading day preceding the publication date of this immediate report (i.e., the closing price on August 24, 2025) was NIS 15.64, and the price of one share at the closing price on the date of this report (i.e., the closing price on August 25, 2025) was NIS 15.21. Accordingly, the ratio between the price per share according to this report and the aforementioned closing prices is approximately 0.96 and 0.99, respectively.

#### 4. Details Regarding Registered and Issued Share Capital

The registered share capital of the Company as of the reporting date is NIS 600,000,000, divided into 600,000,000 ordinary shares of NIS 1 par value each. Of the aforementioned registered share capital, 554,934,442 ordinary shares of the Company have been issued and paid-up as of the reporting date (of which 6,751,432 are dormant ordinary shares held by the Company). The issued and paid-up share capital of the Company after the allocation will be 574,934,442 ordinary shares of the Company, with the issued share capital listed for trading being 568,183,010 ordinary shares of the Company, and on a fully diluted basis, after the allocation, will be 586,793,116 ordinary shares of the Company.

Below is a breakdown of the holdings of the Offerees, other interested parties in the Company, and other shareholders in the issued and paid-up share capital of the Company (voting rights and capital), to the best of the Company's knowledge, close to the publication date of this report and after the allocation:

| Shareholder                          | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company, Before Allocation of the Allocated Shares |            |                                  | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company, Assuming Actual Allocation of the Allocated Shares |            |                                  | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company, Assuming Full Dilution (i.e., Exercise of All Convertible Securities of the Company) <sup>205</sup> |            |                                  |
|--------------------------------------|---|------------|----------------------------------|--|------------|----------------------------------|---|------------|----------------------------------|
|                                      | Number of Shares/Securities (excluding dormant shares)  |            | Percentage in Capital and Voting | Number of Shares/Securities (excluding dormant shares)   |            | Percentage in Capital and Voting | Number of Shares/Securities (excluding dormant shares)  |            | Percentage in Capital and Voting |
|                                      | Number  | Percentage |                                  | Number   | Percentage |                                  | Number  | Percentage |                                  |
| O S Israel Investment Company Ltd    | 202,993,196   | 37.03      |                                  | 202,993,196  | 35.72      |                                  | 202,993,196   | 34.59      |                                  |
| Tropicana Development                | 22,554,800  | 4.11       |                                  | 22,554,800   | 3.96       |                                  | 22,554,800  | 3.84       |                                  |
| 165 LLC                              |   |            |                                  |  |            |                                  |   |            |                                  |
| SHIKUN & BINUI LTD. (Dormant Shares) | 6,751,432   | 0          |                                  | 6,751,432  | 0          |                                  | 6,751,432   | 0          |                                  |

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| Number and Percentage of Holdings in Issued Capital |                                  | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company, Assuming Actual Allocation of the Allocated Shares and Assuming Full Dilution (i.e., Exercise of All Convertible Securities of the Company) <sup>305</sup> |                                  | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company Before Allocation of the Allocated Shares |                                  |
|---|----------------------------------|--|----------------------------------|--|----------------------------------|
| Shareholder   | Percentage in Capital and Voting | Number of Shares/Securities (excluding dormant shares)   | Percentage in Capital and Voting | Number of Shares/Securities (excluding dormant shares)   | Percentage in Capital and Voting |
| Phoenix Holdings Ltd - Nostro Account               | 0.10                             | 598,466.40   | 0.16                             | 931,800.4  | 0.15                             |
| Phoenix Holdings Ltd - Provident Funds              | 8.49                             | 46,568,073.7   | 9.13                             | 51,901,407.7   | 8.84                             |
| Phoenix Holdings Ltd - Profit Participant           | 0.03                             | 203,053  | 0.03                             | 203,053  | 0.03                             |
| Phoenix Investment House Ltd - Mutual Funds         | 2.87                             | 15,768,645.60  | 2.87                             | 15,768,645.60  | 2.87                             |
| Phoenix Investment House Ltd - Market Maker         | 0.00                             | 29.78  | 0.00                             | 29.78  | 0.00                             |
| MENORA MIVTACHIM HOLDINGS LTD - Nostro              | 0.00                             | 329.80   | 0.00                             | 329.80   | 0.00                             |

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|  |      |               |      |               |      |
|--|------|---------------|------|---------------|------|
| MENORA<br>MIVTACHIM<br>HOLDINGS<br>LTD -<br>Provident<br>Funds                 | 6.71 | 36,785,658.90 | 7.94 | 45,118,992.9  | 7.68 |
| MIGDAL<br>INSURANCE<br>& FINANCIAL<br>HOLDINGS<br>LTD. - Profit<br>Participant | 7.27 | 39,899,244    | 7.02 | 39,899,244    | 6.79 |
| MIGDAL<br>INSURANCE<br>& FINANCIAL<br>HOLDINGS<br>LTD. - Mutual<br>Funds       | 2.20 | 12,074,891    | 2.12 | 12,074,891    | 2.05 |
| CLAL<br>INSURANCE<br>ENTERPRISES<br>HOLDINGS<br>LTD. - Nostro                  | 0.08 | 484,104       | 0.08 | 484,104       | 0.08 |
| CLAL<br>INSURANCE<br>ENTERPRISES<br>HOLDINGS<br>LTD. -<br>Provident<br>Funds   | 5.36 | 29,417,393    | 5.17 | 29,417,393    | 5.01 |
| CLAL<br>INSURANCE<br>ENTERPRISES<br>HOLDINGS<br>LTD. - Profit<br>Participant   | 1.74 | 10,254,312.30 | 1.74 | 10,254,312.30 | 1.74 |
| CLAL<br>INSURANCE<br>ENTERPRISES   | 0.58 | 3,459,973.72  | 0.58 | 3,459,973.72  | 0.58 |

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|   |      |           |      |           |      |
|---|------|-----------|------|-----------|------|
| HOLDINGS LTD. – Profit Participant  |      |           |      |           |      |
| BANK OF ISRAEL - SAGI (Director)  | 0.00 | 563       | 0.00 | 563       | 0.00 |
| Amit Birman (CEO)   | 0.10 | 813,675   | 0.10 | 813,675   | 0.10 |
| Other Shareholders (including senior officers who are not interested parties) | 0.72 | 4,273,724 | 0.72 | 4,273,724 | 0.72 |

- Notes:
  - The data in the table includes shares and (unlisted) options for shares – for employees (unlisted) – RSU.
  - The data is presented excluding dormant shares.

4.

| Number and Percentage of Holdings in Issued Capital |  | Number and Percentage of Holdings in Issued and Paid-Up Capital and Voting Rights in the Company, Assuming Actual Allocation of the Allocated Shares and Assuming Full Dilution (i.e., Exercise of All Convertible Securities of the Company) <sup>405</sup> |  |
|---|--|--|--|
| Number and Percentage of Holdings in Capital        |  | Issued and Paid-Up Capital and Voting Rights in the Company, Assuming Actual Allocation of the Allocated Shares  |  |
| Number and Percentage of Holdings in Issued Capital |  | Assuming Actual Allocation of the Allocated Shares and Assuming Full Dilution (i.e., Exercise of All Convertible Securities of the Company) <sup>405</sup>   |  |
| Shareholder   | Percentage in Capital and Voting                             | Percentage in Capital and Voting   | Percentage in Capital and Voting                             |
|   | Number of Shares/Securities (excluding other dormant shares) | Number of Shares/Securities (excluding other dormant shares)   | Number of Shares/Securities (excluding other dormant shares) |
| Total Company Capital (excluding dormant shares)    | 548,183,010<br>100%  | 568,183,010<br>100%  | 586,793,116<br>100%  |

5. Personal Interest of a Material Shareholder or Officer in the Company



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To the best of the Company's knowledge, none of the Company's material shareholders (prior to the allocation according to this report) and/or any of the Company's officers have a personal interest, except for Phoenix and Menora, which are "Interested Parties" as mentioned in Section 1 above.

## **6. Details of Agreements Regarding Rights in the Company's Securities**

To the best of the Company's knowledge, as of the date of this report, there are no written or oral agreements between the Offerees and any shareholder of the Company, or between the Offerees, all or some of them, among themselves or with others, regarding the purchase or sale of securities or regarding voting rights in the Company.

## **7. Restriction or Limitation on Actions in the Offered Securities**

The Allocated Shares will be subject to resale restrictions in accordance with the provisions of Section 15C of the Securities Law and the regulations thereunder.

## **8. Approvals Required for the Allocation of the Offered Securities**

The Company's Board of Directors approved the allocation of the Allocated Shares. The execution of the private placement subject to this report is subject to the approval of the Stock Exchange for the listing of the Allocated Shares for trading. The Company will apply for such approval shortly after the submission of this immediate report. The actual allocation of the Allocated Shares will be carried out shortly after receiving the Stock Exchange's approval.

Respectfully,

**SHIKUN & BINUI LTD.**

Signed by

Amit Birman, CEO

and Hila Tirosh, Deputy CEO & General Counsel

## **FOOTNOTE:**

<sup>101</sup> As they are interested parties in the Company by virtue of their holdings (including, each of them is a material shareholder). For details regarding controlling shareholders in these entities, see the immediate report regarding the holdings of interested parties and officers in the Company as of June 30, 2025, as published by the Company on July 7, 2025 (Reference: 2025-01-049700), which is incorporated herein by reference. To the best of the Company's knowledge, none of the other Offerees will become a material shareholder as a result of the private placement according to this report.

<sup>102</sup> The full dilution was calculated based on the issued and paid-up share capital listed for trading and assuming the allocation subject to this report; also, under the theoretical assumption of full exercise of 4,273,724 unlisted options of the Company (assuming full exercise of all options at a 1:1 ratio multiplied by the adjustments made to the exercise ratio of the options, as detailed in the immediate reports published by the Company on December 15, 2020 (Reference: 2020-01-128431) and June 21, 2022 (Reference: 2022-01-076327) and in Section 4.15 of the shelf offering report dated December 7, 2022 (Reference: 2022-01-117870), which are incorporated herein by reference, and considering that the shares to be actually allocated as a result of the exercise of the options will reflect the financial benefit embedded in the options at the time of their exercise (net exercise mechanism); also includes the assumption of exercise of 587,277 restricted stock units (RSU) allocated to a senior officer in the Company and of 13,714,286 options to purchase shares allocated to an institutional entity from the Clal group (see also footnote 6 below). See Section 4 below for details regarding the registered and issued share capital of the Company.

<sup>205</sup> Regarding the calculation of full dilution, see footnote 2 above.

<sup>204</sup> The data is to the best of the Company's knowledge and based on the holdings of interested parties and senior officers of the Company as of June 30, 2025, as reported on July 7, 2025 (Reference: 2025-01-049700), as well as a report on changes in the holdings of an officer dated July 30, 2025 (Reference: 2025-01-056898), a report on an institutional entity that ceased to be an interested party in the Company dated August 12, 2025 (Reference: 2025-01-059818), and according to the capital and securities registers of the Company as reported on August 3, 2025 (Reference: 2025-01-057369), which are incorporated herein by reference and based on data provided to the Company by the entities among the Offerees.

<sup>203</sup> Regarding the calculation of full dilution, see footnote 2 above.

<sup>305</sup> i.e., exercise of all convertible securities of the Company.

<sup>406</sup> It should be noted that the Company entered into an agreement with entities from the Clal group, under which, among other things, the Company allocated to Clal options to purchase 13,714,286 ordinary shares of the Company under certain conditions. For details, see the immediate reports in the Company's report dated July 5, 2023 (Reference: 2023-01-063175), October 1, 2023 (Reference: 2023-01-090841), and October 18, 2023 (Reference: 2023-01-096004), as well as Section 22.2 in Chapter A of the Company's periodic report for 2024, published on March 27, 2025 (Reference: 2025-01-021148), which are incorporated herein by reference.