Entering into a non-binding transaction outline document for the execution of a combination transaction in real estate located in the Talpiot neighborhood in Jerusalemfalse

Shufersal Ltd.	135
SHUFERSAL LTD	
Number in the Registrar: 520022732	14912

To:	Israel Securities Authority	To:	Tel Aviv Stock Exchange Ltd.	T053 (Public)	Filed via MAGNA:	31/03/2026	
	www.isa.gov.il		www.tase.co.il		Reference:	2026-01-030159	Time of transmission: 08:37 08:32:00

Immediate report on an event or matter deviating from the corporation's ordinary course of business

Regulation 36 of the Securities Regulations (Periodic and Immediate Reports), 5730 - 1970

The results of an offering must be reported on T20 and not on this form.

A report on rating of BONDS or corporate rating must be submitted via Form T125

Report on: ☐ Report whose submission was delayed

Nature of the event: ***Entering into a non-binding transaction outline document for the execution of a combination transaction in real estate located in the Talpiot neighborhood in Jerusalem***

1. Shufersal Ltd. ("the Company") announces that on March 30, 2026, it entered, through a company wholly owned (indirectly) by it ("the Subsidiary"), with Tidhar Initiation and Real Estate Investments Ltd., of the Tidhar Ltd. group, a third party not related to the Company ("the Developer"), into a non-binding transaction outline document ("the Outline Document"), under which the parties will examine entering into a combination transaction in relation to real estate fully owned by the Subsidiary, with an area of approximately 5.611 dunams, located at the intersection of Pierre Koenig and Poalei Tzedek streets, in the Talpiot neighborhood in Jerusalem, known as parcel 52 in block 30002 ("the Property"). For further details regarding the Property, see section 9.20.6 of the Description of the Corporation's Business chapter within the Company's Periodic report for 2025, which the Company reported concurrently with this report. In accordance with the Outline Document, the Developer will construct a project including residential, employment, commercial, built public areas and affordable housing, including roads and public areas ("the Project"), in accordance with the zoning plan and detailed planning, as shall be agreed between the parties. According to the Outline Document, the Developer will be entitled to receive part of the rights in the Property and in the areas to be built within the framework of the Project, with the allocation of the areas between the Subsidiary and the Developer to be determined according to an appraiser valuation mechanism as set out in the Outline Document ("the Appraiser's Valuation"), provided that if the transaction is carried out, the Subsidiary's share will be no less than minimum percentages set out in the Outline Document. The Subsidiary will be granted an option to convert its residential rights, in whole or in part, to the other designations (commercial, employment and affordable housing) according to the conversion value that will be set in the framework of the Appraiser's Valuation. In addition, the Outline Document sets out a mechanism for the allocation of surplus profits from the Project. It is emphasized that as of this date, there is no certainty that a binding agreement will be signed between the parties and/or that the transaction will be completed and under what terms. Completion of the transaction is subject, inter alia, to completion of negotiations between the parties, completion of due diligence, signing of a binding agreement, approval of the competent organs of the parties and approval of the Competition Commissioner, to the extent required.

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2. The date and time on which the corporation first became aware of the event or matter:
   ○ 30/03/2026at 11:00.
   ○ _________

Report that was delayed in accordance with Regulation 36(b):

3. If the report was delayed – the reason for which its submission was delayed:

   ____

4. On the date _________ at _________ the impediment to reporting was removed.

5. ☐ The Company is a shell company as defined in the TASE Regulations.

Details of the signatories authorized to sign on behalf of the corporation:

	Name of signatory	Position
1	Aharon Kaufman	*Other* *VP, Legal Counsel*
2	Hila Cohen Weisberg	*Corporate Secretary*

Explanation: According to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports) (5730 – 1970), a report submitted pursuant to these regulations shall be signed by those authorized to sign on behalf of the corporation. The staff's position on this matter can be found on the Authority's website: Click here .

Reference numbers of previous documents on the subject (the reference does not constitute inclusion by way of reference):
2026-01-030136

The corporation's securities are listed for trading on the Tel-Aviv Stock Exchange

Date of the form structure update: 06/08/2024

Short name: Shufersal

Address: Binyamin Shmotkin30 , Rishon Lezion7536333 Telephone: 03-9481727 , 03-9481515Fax: 03-9480917

E-mail: hilac@shufersal.co.il Company website:www.shufersal.co.il

Previous names of the reporting entity: Shufersal Ltd.

Name of electronic reporter: Cohen Weisberg HilaPosition: Corporate SecretaryName of employing company:

Address: Shmotkin30 , Rishon Lezion7536333Telephone: 03-9481727Fax: 03-9480917E-mail: hilac@shufersal.co.il1