

M. Yochananof and Sons (1988) Ltd.

Registry Number: 511344186

To: The Israel Securities Authority | www.isa.gov.il
To: The Tel Aviv Stock Exchange Ltd. | www.tase.co.il
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Immediate Report on Cash Dividend Distribution for Securities

Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

- We hereby report that on **26/11/2025**, it was decided to pay a dividend.
- Record date: **07/12/2025**
- Payment date: **15/12/2025**
- Payment details:
 - ☒ Dividend distributed from an Israeli resident company (for breakdown of dividend sources and tax rates see section 7a).
 - ☐ Dividend distributed by a Real Estate Investment Trust (for breakdown of dividend sources and tax rates see section 7c).

Eligible Security Number	Security Name	Dividend Amount Per Security	Dividend Currency	Payment Currency	Representative Payment Rate Date	Individuals Tax %	Companies Tax %
1161264	Yochananof Ordinary Share	1.38	ILS	ILS	_____	25	0

- ☐ Dividend distributed from a foreign resident company (for tax rates see section 7b).

Please indicate the dividend amount to be paid with an accuracy of up to 7 digits after the decimal point if the currency is ILS and up to 5 digits after the decimal point in case of another currency.

- The total dividend to be paid is: **19,993,246.8 ILS**.
- The corporation's retained earnings as defined in section 302 of the Companies Law, 1999, after the distribution covered in this report, amount to: **660,805,000 ILS**
- Procedure for approving the dividend distribution:

At the board of directors meeting of the company convened on 26 November 2025 to approve the company's quarterly report for the second quarter of 2025, the board resolved to distribute a dividend of 1.38 ILS per share (and a total amount of approximately 20 million ILS) to shareholders.

The above distribution is **not** subject to court approval pursuant to section 303 of the Companies Law.

The final dividend amount per share is subject to changes due to:

The final dividend per share can be updated up to 2 trading days before the record date.

7. The following withholding tax rates are for the purpose of withholding tax by TASE members:

7a. Breakdown of dividend sources distributed by an Israeli resident company (excluding REIT):

	% of Dividend	Individuals	Companies	Foreign Residents
Company income subject to corporate tax (1)	100	25%	0%	25%
Income from abroad (2)	0	25%	23%	25%
Approved/preferred enterprise income (3)	0	15%	15%	15%
Preferred enterprise Ireland till 2013 (4)	0	15%	15%	4%
Preferred enterprise Ireland from 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Approved Tourism/Agriculture (6)	0	20%	20%	20%
Approved/Preferred enterprise with waiver (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by Participating Unit	0	0%	0%	0%
Other	0	0%	0%	0%

Explanations:

- 1. Company income subject to corporate tax: Income from profit distribution or dividends originating from income generated or accrued in Israel, received directly or indirectly from another entity liable for corporate tax.
- 2. Income from abroad is income generated abroad and not taxed in Israel.
- 3. Including income from eligible tourism enterprise where the selected year/operation is until 2013.
- 4. Preferred Irish enterprise where the selected year is until 2013.
- 5. Preferred Irish enterprise where the selected year is from 2014 onwards.
- 6. Including income from eligible tourism enterprise where the selected year/operation is from 2014 onwards.
- 7. Approved or preferred enterprise that submitted a waiver notice by 30.6.2015, after corporate tax was deducted where required.

7b. Dividend distributed by a foreign resident company:

	Individuals	Companies	Foreign Residents
Dividend from foreign resident company	25%	23%	0%

7c. Dividend distributed by a Real Estate Investment Trust:

	% of Dividend	Individuals (1)	Companies	Foreign Resident Companies	Exempt Trust Fund	Pension Fund (2)
From real estate appreciation, capital gain, and depreciation (3)	_____	25%	23%	23%	0%	0%
Other taxable income (e.g. rent)	_____	47%	23%	23%	23%	0%
From income producing real estate for rental housing	_____	20%	20%	20%	0%	0%
Income already taxed by the fund (4)	_____	25%	0%	25%	0%	0%
Extraordinary income	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
Weighted withholding tax rate	100%	_____	_____	_____	_____	_____

Explanations:

1. Individuals – including taxable mutual funds and foreign resident individuals.

2. Pension funds, provident funds, and qualifying plans as defined by the Israeli Income Tax Ordinance, as well as foreign pension funds resident in reciprocal countries.

3. Real estate appreciation or capital gain, except for sale of real estate held for a short period and income in the amount of depreciation expense.

4. Distribution from income already taxed by the fund according to section 64A4(e).
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8. Number of dormant securities of the corporation that are not eligible for a dividend payment and for which a waiver letter must be provided for dividend payment: **11,901**

9. Effect of dividend distribution on convertible securities:

◦ ☒ The company does not have convertible securities

◦ ☐ The dividend distribution has no effect on convertible securities

◦ ☐ The effect of the dividend distribution on convertible securities is as follows:

▪ Name of security: _____

▪ Security number: _____

▪ Notes: _____

10. Directors' recommendations and decisions regarding the dividend distribution in accordance with Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970:

The company’s board of directors has adopted a dividend distribution policy to shareholders, of distributing at least 30% of the company’s profit for the period, subject to the distribution tests stipulated by the Companies Law. According to the consolidated financial statements for the third quarter of 2025, the company’s profit for this period attributable to its shareholders amounted to approximately 40 million ILS, and together with accumulated surplus in the company’s equity, the surplus as of 30 September 2025 stands at approximately 681 million ILS, which is higher than the distribution amount. On 26 November 2025, the board resolved to distribute approximately 20 million ILS to shareholders – this dividend constitutes about 2.9% of the company’s equity surplus, which will stand at about 661 million ILS after the distribution. The board confirmed that the distribution meets the ‘profit test’ as per Section 302 of the Companies Law.

The ‘solvency test’ was also examined: The board reviewed the company’s financial statements for Q3 2025, assessed its business status at the time of the decision, and evaluated the company’s ability to meet its current and expected cash needs—based on data and explanations provided by management. The board also reviewed compliance with financial covenants to banking institutions and holders of the company’s (Series 1) bonds and received an overview of the company’s liquidity. The board is satisfied that there is no reasonable concern that the dividend distribution will prevent the company from meeting its current and future obligations as they come due, and therefore confirms that the distribution also meets the solvency test. It is emphasized that in the board’s opinion, the distribution will not result in breaching any financial covenants to banks or bondholders (Series 1), nor will it have any negative impact on the company’s current operations or on planned investment in newly planned retail stores.

Authorized Signatories for the Corporation:

	Name	Role
1	Eitan Yochananof	CEO and Director
2	Oz Yosef	CFO

Note: According to Regulation 5 of the Periodic and Immediate Reports Regulations (1970), a report filed under these regulations must be signed by the persons authorized to sign on behalf of the corporation. For Staff position see the Authority’s website: [Click here](#).

Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

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- **Email:** Hezi@yochananof.co.il
- **Company website:** www.yochananof.co.il

Previous names of reporting entity:

Name of electronic submitter: Hezi Sidon
Role: Legal Advisor and Company Secretary

Address: 10 Moti Kind, Rehovot 7638519 **Tel:** 076-8175717 **Fax:** 08-9448179 **Email:** hezi@yochananof.co.il

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