Meidar Ganei Eden Ltd.

Trial Consolidated Financial Statements

as at June 30, 2026

Meidar Ganei Eden Ltd.

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as at June 30, 2026

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Auditors' trial report to the shareholders of Meidar Ganei Eden Ltd

Introduction

We have reviewed the attached financial data on Meidar Gan Eden Ltd. that includes the consolidated extract report on financial state as at June 30, 2026, and the consolidated extract report on total profit, changes in capital and cash flows for the period of six months ending on this date. The board of directors and management are responsible for the preparation and presentation of the financial data for these interim periods according to International Accounting Standard IAS 34 – "Financial reporting for interim periods", while our responsibility is to express a conclusion concerning the financial data for these interim periods based upon our review.

Review scope

We have prepared our review according to the (Israel) Review Standard 2410 of the Institute of Certified Public Accountants In Israel – "A review of financial data for interim periods prepared by the entity's auditors". A review of financial data for interim periods consists of a clarifications, primarily with those persons responsible for financial and accounting matters, and by implementing analytical and other review procedures. A review is significantly concise in scope as compared with an audit prepared according to customary auditing standards in Israel and therefore we cannot achieve the level of certainty on all significant matters as would be identified in an audit. Thus, we are not providing a professional opinion on an audit.

Conclusion

Based upon our review, nothing has come to our attention that leads us to reason that the above financial data was not prepared, from all essential aspects, according to International Accounting Standard IAS 34.

October 29, 2026

Elefant Mahala

Certified Public Accountants

Meidar Ganei Eden Ltd

Consolidated Statements Extract of Financial State

(in NIS 000s)

		As of June 30	As of June 30	As of December 31
		2026	2025	2025
		Unaudited	Unaudited	Audited
Current assets				
Cash and cash equivalents		8,339	2,925	3,714
Receivables and receivable balances		7,681	15,335	13,766
Real estate inventory		21,393	*20,044	*15,560
Use of entitled assets		889	1,333	1,111
Loans to related parties	4	55,358	35,200	48,944
		93,660	74,837	83,095
Non-current assets				
Investments & loans to included corporations		44,001	17,250	45,382
Real estate inventory		35,096	*45,119	*29,934
Stock of buildings under construction		20,716	23,818	19,509
Investment properties under construction		25,514	28,784	26,423
Fixed assets, net		1,440	1,123	662
Long term debtors		9,153	3,550	8,411
Intangible assets		13	35	18
Deferred taxes		3,535	-	2,882
		139,468	119,679	133,221
		233,128	194,516	216,316

* Reclassified

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

Meidar Ganei Eden Ltd
Consolidated Statements Summary of Financial State
(in NIS 000s)

		As of June 30 2026 Unaudited	As of June 30 2025 Unaudited	As of December 31 2025 Audited
Current liabilities				
Short term loans	5	65,187	*53,372	*64,903
Suppliers and service providers		1,218	1,688	397
Creditors & credit balances		769	6,716	481
Obligations under lease		998	1,429	1,219
		68,172	63,205	67,000
Non-current liabilities				
Tax reserve		1,572	262	1,562
Long term loans	6	164,366	*128,294	*137,963
Debentures		8,917	10,390	9,839
		174,855	138,946	149,364
Capital				
Capital attributed to the shareholders of the company				
Share capital		0.01	0.01	0.01
Capital fund		12,581	20,681	12,608
Balance of loss		(22,005)	(28,681)	(12,468)
		(9,424)	(8,000)	140
Rights that do not confer control		(474)	365	(190)
		(9,898)	(7,635)	(50)
		233,128	194,515	216,314

* Reclassified

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

29.10.2026		
Date of approval and publication of the financial statements	Shmariahu Adelman, Chairman of Board of Directors	Yehiel Porush CEO and Finance Manager

Meidar Gan Eden Ltd

Consolidated Statements Summary on changes in Total Profit

(in NIS 000s)

	For the 6 months ending on June 30	For the 6 months ending on June 30	For the year ending on December 31
	2026	2025	2025
	Unaudited	Unaudited	Audited
Rental income and management fees	1,706	1,385	12,329
	1,706	1,385	12,329
Cost of sales / providing services	(33)	(0.3)	(42)
	(33)	(0.3)	(42)
Gross profit	**1,673**	**1,385**	**12,287**
Fair value adjustment of real estate for investment under construction	(2,819)	-	(5,404)
Advertising and sales expenses	(66)	(32)	(123)
General and administrative expenses	(7,489)	(4,148)	(9,915)
Other income	6	6	6,711
	(10,368)	(4,174)	(8,731)
Operating profit (loss)	**(8,695)**	**(2,790)**	**3,556**
The company's share in the profits (losses) of companies treated by the balance sheet value method	(3,129)	1,876	1,298
Financing income	5,472	1,426	5,580
Financing expenses	(4,102)	(2,527)	(5,860)
	1,370	(1,101)	(280)
Profit (loss) before income taxes	(10,454)	(2,014)	4,574
Income taxes	633	18	1,208
Net profit (loss) for the period	(9,821)	(1,997)	5,782
Foreign currency conversion differentials from external activities	(27)	-	-
Total overall profit (loss) for the period	(9,821)	(1,997)	5,782

Meidar Gan Eden Ltd

Consolidated Statements Summary on changes in Total Profit

(in NIS 000s)

	For the 6 months ending on June 30	For the 6 months ending on June 30	For the year ending on December 31
	2026	2025	2025
	Unaudited	Unaudited	Audited
Profit (loss) attributable to:			
Company shareholders	(9,537)	(1,969)	6,239
Holders of non-controlling rights	(284)	(27)	(457)
	(9,821)	(1,997)	5,782
Profit (loss) per share attributable to the company's shareholders			
Basic profit (loss)	(953.7)	(196.9)	623.9
Diluted profit (loss)	(953.7)	(196.9)	623.9

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

Meidar Ganei Eden Ltd

Consolidated Statements Summary on Equity Changes

(in NIS 000s)

	Share capital	Venture Capital fund	Residual profit	Total	Rights that do not confer control	Total capital
Balance for January 1, 2026 (audited)	**0.01**	**12,608**	**(12,468)**	**140**	**(190)**	**(50)**
Profit (loss) for the period	-	-	(9,537)	(9,537)	(284)	(9,821)
Total other profit	-	(27)	-	(27)	-	(27)
Balance as of June 30, 2026 (unaudited)	**0.01**	**12,581**	**(22,005)**	**(9,424)**	**(474)**	**(9,898)**
Balance for January 1, 2025 (audited)	**0.01**	12,357	(17,799)	(5,442)	220	(5,222)
Profit (loss) for the year	-	-	6,239	6,239	(457)	5,782
Capital fund from associated parties' loans	-	251	(909)	(658)	48	(610)
Balance as of December 31, 2025 (audited)	**0.01**	**12,608**	**(12,468)**	**140**	**(190)**	**(50)**

Meidar Ganei Eden Ltd

Consolidated Statements Summary on Equity Changes

(in NIS 000s)

	Share capital	Venture Capital fund	Residual profit	Total	Rights that do not confer control	Total capital
Balance for January 1, 2025 (audited)	**0.01**	**12,357**	**(17,799)**	**(5,442)**	**220**	**(5,222)**
Change relating to opening balances	-	8,324	(8,913)	(589)	173	(416)
Profit (loss) for the period	-	-	(1,969)	(1,969)	(27)	(1,997)
Balance as of June 30, 2025 (unaudited)	**0.01**	**20,681**	**(28,681)**	**(8,000)**	**365**	**(7,635)**

Meidar Ganei Eden Ltd

Consolidated Statements Summary of Cash Flows

as of June 30, 2025

	For the 6 months ending on June 30 2026	For the 6 months ending on June 30 2025	For the year ending on December 31 2025
	Unaudited	Unaudited	Audited
Current Operating Cash Flows			
Net profit (loss) for the period	(9,821)	(1,997)	5,782
Adjustment in respect of previous year	-	-	48
Adjustments required to present cash flows from operating activities (Appendix A)	11,339	(6,030)	864
Net cash derived from current operations (used for activities)	1,518	(8,027)	6,694
Cash Flows from Investment Activities			
Investment in fixed assets	(903)	(108)	(139)
Project investments	(12,625)	(969)	(18,751)
Real estate investments	(1,223)	(1,283)	(3,177)
Long-term debtors	1,871	(11,444)	(4,638)
Real estate inventory	-	(44,988)	-
Loan to a held & associated corporation	(1,158)	-	(51,093)
Net cash derived from investment operations (used for activities)	(14,038)	(58,793)	(77,798)
Cash Flows from Financing Activities			
Loans received, net	17,145	64,045	69,118
Cash derived from financing activities	17,145	64,045	69,118
Increase (decrease) in cash and cash equivalents	4,625	(2,774)	(1,985)
Cash balance and cash equivalents at period start	3,714	5,699	5,699
Cash balance and cash equivalents at period end	8,339	2,925	3,714

Appendix A – Adjustments needed to present cash flows from current activities:

Expenses (income) not involved in cash flow			
Depreciation and amortization	352	370	542
The Company's share (of profits) in the losses of held companies treated according book value method	3,129	(1,876)	(1,298)
Adjustment of fair value of investment real estate	2,819	-	5,404
Financing expenses	(233)	(6,148)	1,924
Income taxes	(644)	(30)	(1,611)
	5,423	(7,684)	4,961
Changes in assets and liabilities			
Decrease (increase) in debtors and outstanding balances and with customers	4,807	(5,460)	(3,851)
Increase (decrease) in creditors and credit balances and suppliers	1,109	7,114	(246)
	5,916	1,654	(4,097)
	11,339	(6,030)	864

Meidar Ganei Eden Ltd

Notes to the Consolidated Financial Statements Summary

as of June 30, 2025

Note 1 - General:

a. The company was incorporated in June 2020 and began operations in July 2020. As of August 2020, the company has investments in the companies it holds.

b. The company and the companies held by it are engaged in locating, initiating, planning, establishing, and promoting projects in the field of residential and rental real estate in Israel.

c. The company owns, through subsidiaries, land, and real estate under construction, intended partly for commerce and offices and partly for residences.

d. In December 2023, a subsidiary called Meidar Hitchadshut Bonim Atid Ltd. was established in order to absorb large parts of the company's projects that deal with urban renewal. The Company began receiving the projects in 2024. In September 2025, the Company entered into a transaction with Propdo to finance the operations of Meidar Hitchadshut ("Meidar Renewal"), as a result of which the Company lost control of Meidar Renewal - see Note 5(c) in the annual financial statements as of December 31, 2025.

e. In October 2025, a ceasefire agreement was signed. The "Swords of Iron" war led to a slowdown in business activity in the Israeli economy, due, among other things, to the closure of factories in the south and north of the country, damage to infrastructure, the call-up of reservists for a period not known in advance, and disruption of economic activity in Israel. On Saturday, February 28, 2026, a joint attack was launched by the State of Israel and the United States under the operation named "Roaring Lion", against state targets in Iran. On April 8, 2026, a ceasefire agreement with Iran came into effect.

The Company continues from time to time to examine the influence of the economic situation and the fighting on its business activities. However, at this stage, the company cannot explicitly assess the scope and nature of additional future impacts of the war on its results.

Note 2 - Main accounting policies:

The interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting."

The accounting policies applied in the preparation of the consolidated interim financial statements are consistent with those applied in the preparation of the annual consolidated financial statements, except as described below.

These financial statements have been prepared in summary form as at June 30, 2026, and for the six-month period then ended (hereinafter: the "consolidated interim financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as at December 31, 2025 and for the year then ended, and the accompanying notes (hereinafter: the "annual consolidated financial statements").

1. First implementation of accounting standards and disclosure for new IFRS standards in the period prior to the implementation of IFRS 18 – Presentation & Disclosure in Financial Statements:

   In April 2024, the International Accounting Standards Board (IASB) published International Financial Reporting Standard 18 (IFRS 18) - Presentation and Disclosure in Financial Statements (hereinafter: the "new standard"), which replaces International Accounting Standard 1 (IAS 1) - Presentation of financial statements (hereinafter: IAS 1).

   The purpose of the new standard is to improve the ability to compare and transparency in the financial statements. The new standard will include the existing requirements of IAS 1 as well as new requirements for presentation in the profit and loss statement, including presenting amounts and sub-amounts, which are required according to the new standard, giving disclosure about performance indices defined by the management and the new requirements for allocations and the splitting of financial data.

   The new standard does not change the recognition instructions and the measurement of items in the financial statements. Nevertheless, as items in the profit and loss statement must be classified in one of five categories (operational activities, investment activities, financing activities, income tax, and activities that have ceased), it is likely to change the entity's operating profit. Furthermore, the publication of the new standard caused some corrections to a small extent to other accounting standards including IAS 7 - Statement on cash flows and IAS 34 - Financial statements for interim periods.

Note 2 - The main accounting policies (contd.):

The new standard will be implemented retroactively starting from annual periods commencing on January 1, 2027 or thereafter. Early implementation is possible while giving disclosure about this.

The company is examining the effect on the financial statements of the new standard including the effect of the amendments to other accounting standards as a result of this new standard.

Note 3 – Events after the balance sheet date:

In May 2026, the District Court approved a settlement proposal in the Hinanit project, which includes the construction of 212 housing units. Under the proposal, the Company will acquire the rights of "Sasco Entrepreneurship" ("Sasco Yazmut") in consideration of NIS 16.5 million, to be deposited into the settlement account. In addition, the Company will invest an amount estimated at approximately NIS 19 million in the construction of the project.

The project includes 17 additional housing units, referred to as "conditional" units. If these units are not allocated to occupiers by the association, "Hinanit Cooperative Village Ltd.", the Company will pay a further sum of NIS 3.7 million into the settlement account.

Note 4 – Loans to related parties

The loans are to related parties, bearing no interest and not linked to any index.

The interest rate was set at 8.39% based on an expert opinion, in accordance with the fair value requirements of IFRS 7.

Effective January 1, 2025, the loans extended to related parties bear interest at the rate set in the expert opinion.

Note 5 – Short-term loans

a. Comprising:

	For the six months ending on June 30		For the year ending on December 31
	2026	2025	2025
	in NIS 000s	in NIS 000s	in NIS 000s
Loans from others			
Short term banking credit (b. below)	20,602	1,513	20,412
Loans from others	24,999	51,858	22,010
Loans from associated parties	19,586	-	22,481
	65,187	53,372	64,903

b. The loan was provided by Bank Leumi to finance the acquisition of the real estate and to repay current liabilities. Under the agreement with the Bank, the loan will be extended automatically until the approvals and permits for the construction of the project are obtained. The loan bears interest at an annual rate of 7.26% and is secured by a first-ranking, unlimited amount attachment on all of the subsidiary's rights (Meidar Lev HaIr) in the real estate.

Note 6 – Long-term loans

a. Comprising:

	For the six months ending on June 30		For the year ending on December 31
	2026	2025	2025
	in NIS 000s	in NIS 000s	in NIS 000s
Credit form a bank	13,982	14,314	13,981
Credit from others (b)	112,489	95,815	71,535
From related parties (c)	37,894	18,165	52,448
	164,365	128,294	137,964

b. The loans bear interest at rates ranging from 4% to 12% for varying periods of up to 4 years, or in accordance with the progress of the specific project.

c. The interest rate was set at 8.39% based on an expert opinion, in accordance with the fair value requirements of IFRS 7.

Effective January 1, 2025, the loans received from related parties bear interest at the rate set in the expert opinion.