

NOVEMBER 2022

# QUARTERLY REPORT AS OF SEPTEMBER 30 2022



# BOARD OF DIRECTORS

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**Natan Hetz** **Chairman of the Board**

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Aviram Wertheim

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Gad Pnini

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Dorit Kadosh

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Yael Andorn

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Yarom Ariav

---

Moti Barzilai

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Nira Dror

---

keren Terner

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**Shimon Abudraham** **Chief Executive Officer**

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**Deloitte Brightman Almagor Zohar & Co.** **Independent Auditors**

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**Amot Atrium Tower** **Registered Office**

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**2 Jabotinsky Street, Ramat Gan 5252007**



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# THE STATE OF THE CORPORATION'S AFFAIRS

Amot Investments Ltd. is a leading Israeli real estate company, focused on the management, leasing, maintenance, initiation and development of yielding properties in Israel.

# EXTENDED CONSOLIDATED FINANCIAL STATEMENTS

## 30.09.2022

Total income-generating properties (Billion NIS)	16.2
Real Estate Under Construction (out of total investment property)	2.2
<b>Total Investment Property (Billion NIS)</b>	<b>18.4</b>
Projects Under Construction and Development (at a Scope of 274 Thousand Square Meters - the Company's Share) <sup>(1)</sup>	9
<b>Estimated Construction Cost of Projects Under Construction and Development (the Company's Share - Billion NIS)</b>	<b>3.6</b>
NOI (million NIS)	688
FFO (million NIS)	548
FFO per share (agorot)	118.7
Unpledged Assets	98%
Index-Linked Weighted Debt Interest	1.56%
Average Duration	5.4 Years
Billion NIS in Credit Facilities Which Is Unutilized as of the Publication Date of the Report	1.1

## DIRECTORS' REPORT ON THE STATE OF THE CORPORATION'S AFFAIRS

FOR THE PERIOD ENDED SEPTEMBER 30, 2022

Amot Investments Ltd.'s Board of Directors is pleased to submit the financial statements of the Company and its consolidated companies (hereafter – the “Company”) for the period ended September 30 2022 (hereafter – the “Reported Period”).

### DESCRIPTION OF THE COMPANY AND ITS BUSINESS ENVIRONMENT

Amot Investments is a public company which is engaged, both directly and indirectly through corporations under its control, in renting out, management and maintenance of income-generating real estate in Israel as well as in the development of real estate for renting out purposes. The Company's share is included in the Tel Aviv 35 Index and in the Tel Aviv – Real Estate Index. The Company is a subsidiary of Alony Hetz Properties and Investments Ltd. (which holds 54% of the Company's share capital).

1. Since the first quarter of 2022, the property Amot Holon Campus has been classified as investment property, instead of property under construction, and during the second quarter of 2022, the office building in Givatayim was classified from real estate under construction to yielding real estate.

# BUSINESS ENVIRONMENT (1)

The growth trend which was seen the Israeli economy beginning in the first half of 2021 featured strong growth due to the re-opening of the economy after the coronavirus pandemic, the Israeli government's budget surplus, and the increase of the employment rate in the economy. This trend, which reached its peak during 2021, was reversed in the second quarter of 2022, inter alia, due to the occurrence of several economic and geo-political events, which mostly included a new outbreak of the coronavirus in China, which resulted in the suspension of some economic activity in that country, and the war in Ukraine. Due to these factors, and mostly due to the number of available jobs, which was significantly higher than the number of job seekers, as well as the increase in energy prices, price levels increased sharply and significantly around the world, which led to a sharp increase in the inflation rates, and to a reduction in the growth rate described above.

Since 2009 inflation in Israel has been trending downwards, and during the last seven years (2014 to 2021), inflation rates remained low, and were in the range of up to 1% in almost all of those years. Beginning in 2021 inflation rates in Israel began increasing sharply, whereby in 2021 alone the Consumer Price Index in Israel (the "CPI") increased at a rate of 2.8%, and in the first nine months of this year, until September 2022, the CPI increased by approximately 4.4%. According to the Bank of Israel's forecast, the CPI is expected to increase by 4.6% in 2022, while in 2023, the CPI's rate of increase is expected to fall to 2.5%.

According to the Bank of Israel's forecast, GDP is expected to grow at a rate of approximately 6% in 2022, and the unemployment rate is expected to be, on average, 3.5%.

In response to the price increases, and further to the interest rate increases implemented by the central banks in Europe and the United States, beginning in April 2022 the Bank of Israel decided to increase the interest rate, and it was increased, in several stages, from near-zero levels (where they had been for around 7 years) to its current level, which stands at 2.75%, and in accordance with the forecasts of the Bank of Israel's research department, the monetary interest rate is expected to be 3.5% in the third quarter of 2023.

The Company has loans and bonds which are linked to the CPI, and which bear annual interest which is also linked to the CPI. The increase of the CPI therefore resulted in an increase in the Company's financing costs. On the other hand, the Company's revenue-generating real estate, currently worth approximately NIS 16 billion, is leased through CPI-linked lease agreements, which the Company views as a long term economic hedge against inflation. As a result, the CPI's increase led to growth in the Company's revenue from building leases, and accordingly, also to growth in the properties' fair value.

The Company determines the fair value of its properties, inter alia, by determining the discount rates which are used to discount the future cash flows from its properties. The Company is exposed to changes in the discount rates which are affected, inter alia, by the risk-free interest rate in the market. In this regard, it is noted that the margin between the weighted discount rate and the weighted cost of debt, and vs. the Company's current marginal raising cost, remains high, including relative to previous periods.

The Price Index of Input in Residential Construction increased during the first nine months of 2022 at a rate of 5.2%, further to increases of that index in 2021. The increase in the Price Index of Input in Residential Construction is resulting in higher construction costs of the Company's development projects, since the agreements in which the Company engages with executing contractors and suppliers are linked to that index.

Despite inflation and the reduced growth, during the first nine months of the year there was significant demand for office, logistics, industrial and commercial areas in most of the Company's areas of activity, which were reflected in price stability and even in an increase in rent in some of the high demand areas, and in the continuation of high occupancy rates. Demand in Tel Aviv has lessened somewhat recently, and more moderate demand is also being seen in areas surrounding Tel Aviv.

**The Company is unable to estimate the future effects (if any) that any of the foregoing factors could have on the Israeli economy, on the Israeli real estate sector in general, and on the Company's activity in particular. However, the Company currently believes that they will not have a significant impact on its operating results.**

**The Company's estimates regarding the possible effects of the above factors on the Company's activities, as described in this section above, constitute forward looking information, as defined in the Securities Law, 5768-1968, which is based, inter alia, on the Company's estimates as of the publication date of this report, regarding factors which are not under its control.**

1. Sources of the data provided in this section:  
 - Accounting Staff Position Number 99-8: Impacts of Inflation and Increased Interest on Financial Disclosure and Reporting, Corporations Department, Securities Authority.  
 - Bank of Israel report on monetary policy for the first half of 2022  
 - Macro-economic forecast of the Bank of Israel's Research Division, October 2022

## INFORMATION REGARDING LEASE AGREEMENTS THAT HAVE BEEN LEASED IN THE COURSE OF THE REPORTING PERIOD

During the course of **the third quarter of 2022**, 103 new contracts have been signed, including the exercise of an option on an area of approximately 33 thousand square meters, which will generate annual rental fees of approximately NIS 35 million (An increase of 11% on a weighted average).

Usage	New areas leased - For the period 7-9.2022				Change in new rent per sqm
	Number of contracts	Floor space above ground	Average rent per sqm prior	Average rent per sqm new	
		Square meters	NIS	NIS	%
Offices	47	16,140	79	89	13%
Logistics and industrial	11	5,965	39	49	26%
Retail	43	6,494	126	134	6%
Supermarkets	2	4,483	67	71	6%
<b>Total</b>	<b>103</b>	<b>33,082</b>			

1. The above table includes rental contracts that have been signed/renewed/options that have been exercised during the reporting period.
2. The company signs on contracts with various levels of finishing.
3. The chart does not include new areas.

During the reporting period, 308 new contracts were signed, including option exercises and contract renewals within 112 thousand square meters, which will generate annual rental fees of approximately NIS 116 million (An increase of 12% on a weighted average).

Usage	New areas leased - For the period 1-9.2022				Change in new rent per sqm
	Number of contracts	Floor space above ground	Average rent per sqm prior	Average rent per sqm new	
		Square meters	NIS	NIS	%
Offices	156	58,213	84	98	17%
Logistics and industrial	34	29,793	37	43	16%
Retail	114	17,439	122	126	3%
Supermarkets	4	6,897	66	68	3%
<b>Total</b>	<b>308</b>	<b>112,342</b>			

# EVENTS DURING AND AFTER THE PERIOD

## AMOT CAMPUS HOLON

In early 2022, the construction of an office building with 60 thousand square meters (gross) of aboveground marketing areas (The company's share is 47 thousand square meters) ,and a 5 floor underground parking lot (the Company's share: 77.8%), was completed. The tower is in the initial stages of occupancy. In light of the foregoing, in the first quarter of 2022 the Company reclassified the office building from property under construction to yielding real estate, in the amount of NIS 470 million. As of the publication date of the report, contracts have been signed in respect of approximately 14,800 square meters, which are expected to generate approximately NIS 15.1 million per year (the Company's share: 77.8%).

## ISSUE OF SHARE CAPITAL

In January 2022, the Company issued 11.6 million shares by way of a private allocation. The net consideration which was received with respect to the issuance amounted to a total of approximately NIS 301 million.

In May 2022 the Company issued 13.7 million shares and 13.7 million shares options (Series 11) exercise until December 22, 2022. The net proceeds received for the offering amounted to a total of 310 million NIS.

## MANAGEMENT AGREEMENT WITH THE PARENT COMPANY

Further to that stated in Note 25C1 to the Company's consolidated annual financial statements for 2021, the general meeting approved, in its meeting on April 12, 2022, the extension of the management agreement with the parent company for an additional 3 year period, from January 1, 2022 to December 31, 2024, while updating the annual management fees and setting them at a fixed total of NIS 10.3 million per year (linked to the CPI for December 2021), whereby insofar as the Company's annual FFO yield is less than 6%, the management fees with respect to that year will be reduced in the amount of NIS 600 thousand. The management fees will be linked to the consumer price index for December 2021, but no less than the base index, and will be paid in four quarterly payments. The other terms of the management agreement will remain unchanged, and it was clarified that the scope of services provided to the Company will be determined in accordance with the Company's changing needs, from time to time, and with no limit on the number of hours (minimum or maximum). In this regard, it is noted that the parent company undertakes to provide the Company with all of the resources which may be required for the purpose of providing the management services, in accordance with the Company's demand (hereinafter: the "Extended Management Agreement").

Insofar as there is a significant decrease in the scope of employment of Alony Hetz's officers during the period of the extended management agreement, at a rate which cumulatively exceeds 25% per year of activity (relative to the estimated scope of employment invested by those officers in the provision of management services prior to the approval of the extended management agreement), as evaluated by the Audit Committee once per year, the Company will have the right to terminate the extended management agreement. A resolution regarding the termination of the agreement will be passed by the Company's Audit Committee and Board of Directors.

Additionally, in accordance with the extended management agreement, and as has been the case until now, Alony Hetz will be entitled to terminate the agreement at any time, subject to the provision of written notice to the Company 120 days in advance, and additionally, each party will be entitled to terminate the agreement by giving written notice 60 days in advance, in case Alony Hetz ceases to be the Company's controlling shareholder.

# EVENTS DURING AND AFTER THE PERIOD

## KARGAL LOGISTIC CENTER

On March 3, 2022, the Company engaged (through a wholly owned subsidiary) in an agreement with Cargal Ltd. (hereinafter: "Cargal") which involved the conclusion, on March 3, 2022, of the lease agreement between the parties (which was originally scheduled to conclude only on May 31, 2032) by virtue of which Cargal leased from the Company land with a total area of approximately 106 dunams in Lod, on which several logistics buildings are built, which are leased to several sub-lessees for extended periods (hereinafter: the "Complex" and the "Sub-lessees").

Following the engagement in the agreement, the Company received all of the rights to the complex, including the legal possession thereof, and all of the rights and obligations in accordance with the lease agreements vis-à-vis the sub-lessees were assigned to it, in consideration of payment of NIS 51.3 million (plus duly calculated VAT). Due to its designation, size and strategic location, the complex represents additional significant potential development for the Company in the logistics segment.

## DERECH HASHALOM 15

In early May 2022, the Company won a public tender of the Tel Aviv Municipality for the (as-is) purchase of the full rights of lease (49 years with an option to extend by an additional 49 years) in an amount of approximately NIS 261 million. On August 2022, the company received formal notice that it had won the tender.

The complex, sized approximately 3200 sqm, is designated for employment, residence and commerce, and is located on Derech HaShalom St. in Tel Aviv, near the TOHA project. The complex has an approved urban construction plan for the construction of 15,845 sqm gross aboveground, of which 4,754 sqm gross aboveground are designated for employment, 1,584 sqm gross aboveground for commerce and 9,507 sqm gross aboveground for residence for 94 housing units, as well as underground service areas in an identical total area.

## ISSUANCE OF BONDS

In May 2022 the Company issued, through the expansion of an existing series, series F bonds to the sum of 294 million NIS per value in return for a net total of 298 million NIS. The bonds bear an effective CPI-linked interest rate of 1.65% and have an expected duration of 5.6 years.

In addition the Company issued to the public, through the expansion of an existing series, (series G bonds) to the sum of 115 million NIS per value in return for a net total of 102 million NIS. The bonds bear an effective NIS interest rate of 4.35% and have an expected duration of 7.3 years.

## LOGISTIC CENTER BEIT SHEMESH

In June 2022 the Company and its partner in the property signed a rental agreement for the property with Logisticaer (hereinafter: "the Tenant") for rent an area of 24,500 sqm for a period of 10 years, with an option for 5 additional years. The Company purchased 60% (40 dunams) of the lot in June 2021 to build a logistical center. The Company is working on a Town Construction Plan to increase the construction areas in the lot, to a total of some 50,000 sqm.

# EVENTS DURING AND AFTER THE PERIOD

## TOHA2 PROJECT IN TEL AVIV - NEGOTIATIONS REGARDING LEASE TRANSACTION

On November 9, 2022, after the balance sheet date, as part of the transaction of the Company and of Gav-Yam Bayside Land Corporation Ltd., the joint owners of the interests in the ToHa2 project (the "Project"), the parties engaged in a detailed letter of intent with an unrelated third party (hereinafter: the "Letter of Intent") according to which, during the coming months, the parties will work together and in good faith towards engaging in a long-term and binding lease agreement in accordance with the principles specified in the letter of intent, which will be subject to the approval of the boards of directors / competent organs of all of the parties. The binding lease agreement, insofar as it will be signed, will apply to the lease of an area of approximately 55 thousand square meters, plus several hundred parking spaces (with an option to increase the area of the leased property by another approximately 20 thousand square meters), for a period of 10 years, beginning on January 2027, after the completion of the project's construction, in exchange for rent, on a core and shell basis, in the amount of approximately NIS 105 million per year (the Company's share - 50%).

It is hereby clarified that the Company's estimates regarding the signing of a binding lease agreement, as stated above, and the timetable for the construction of the project, constitute forward looking information, as defined in the Securities Law, 5728-1968.

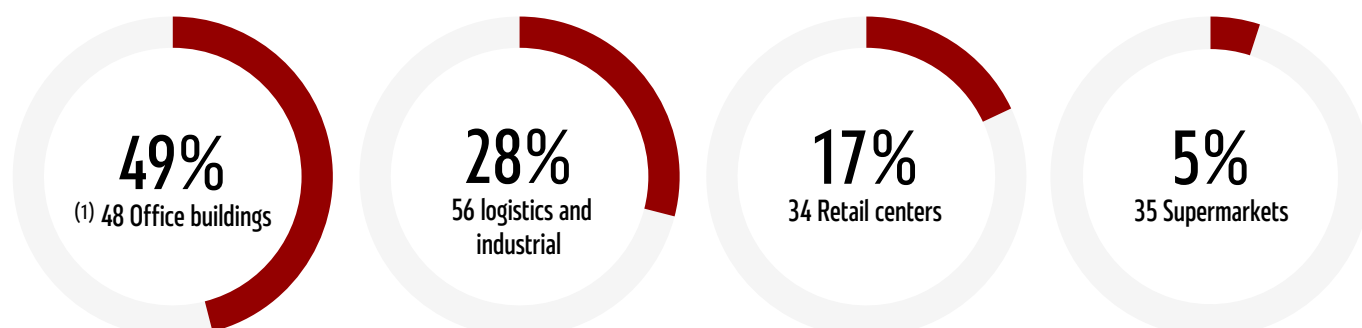
# COMPANY'S ACTIVITY

As of September 30 2022, the Company's owned and leased properties include 176 revenue-generating properties throughout Israel, with a total area of 1.85 million square meters - the Company's share, 1.15 million square meters of rental areas and 0.7 million square meters of open storage and parking areas (18,300 parking spaces). These properties are distributed throughout the country, with most (91%) of the Company's properties being located in the major cities of Central Israel and in high demand areas. The properties are leased to approximately 1,750 lessees, through contracts of varying periods. The Company also has 6 <sup>(1)</sup> projects under construction at a scope of 214 thousand square meters of aboveground areas (the Company's share), and 3 projects in planning and development at a scope of 64 thousand square meters of aboveground areas (the Company's share). Presented below is the segmentation of uses of the Company's revenue-generating properties.

Over the course of the first quarter of 2022 the Amot Holon campus was classified as cash-generating real estate, with Company's share being 47,000 sim in size, and in addition, over the course of the second quarter the Givatayim office building was reclassified to cash-generating property, to the scope of 17,500 sqm.

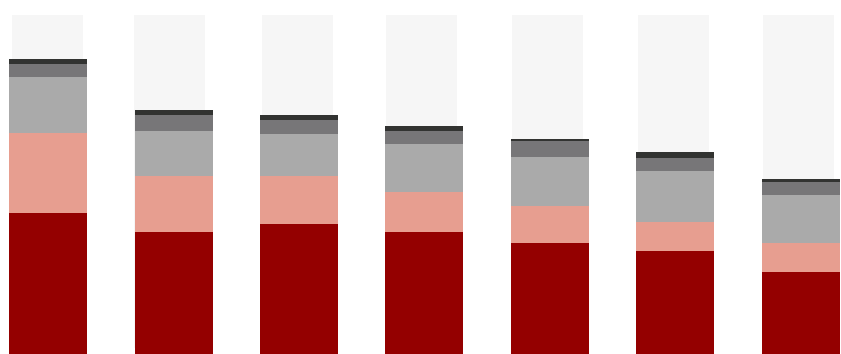
The occupancy rate of all the company's assets as of September 30, 2022 is 94.8%. As of December 31, 2021, it is 98%. The change in the occupancy rate is mainly due to the classification of the Amot Holon campus for yielding real estate. The occupancy rate represents areas for which there are signed contracts, some of which are in occupancy procedures.

## AMOT COMPANY'S INCOME-GENERATING PROPERTIES



1. Since the first quarter of 2022, the property Amot Holon Campus has been classified as yielding real estate, instead of property under construction, and during the second quarter of 2022, the office building in Givatayim was classified from real estate under construction to yielding real estate.

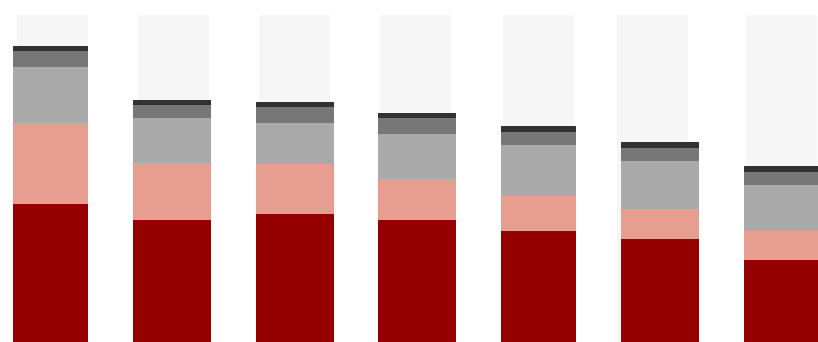
## BREAKDOWN OF NOI BY USES <sup>(1)</sup> IN MILLIONS OF NIS - PERIODIC



	1-9.2022	1-9.2021	1-9.2020	1-9.2019	1-9.2018	1-9.2017	1-9.2016
● Offices <sup>(2)</sup>	331	290	307	290	266	249	201
● Logistics and industry	184	129	115	92	84	68	67
● Commerce <sup>(3)</sup>	129	107	94	109	115	112	106
● Supermarkets	35	34	35	33	32	32	32
● Other	12	10	10	12	11	11	10
<b>Total</b>	<b>691</b>	<b>570</b>	<b>561</b>	<b>536</b>	<b>508</b>	<b>472</b>	<b>416</b>

- The NOI figures do not include unattributable expenses
- In December 2020, a property in Givatayim was reclassified from revenue-generating property to property under construction, and at the second quarter of 2022, classification for yielding real estate
- In 1-9.21: coronavirus concessions in the amount of NIS 20 million (for January and February 2021 quarantine months).

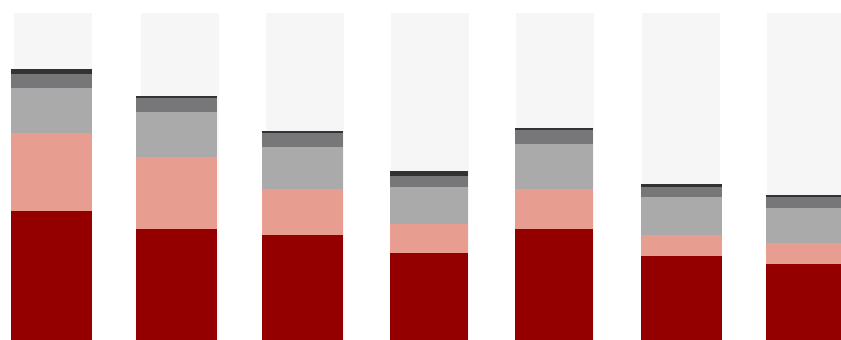
## BREAKDOWN OF NOI BY USES <sup>(1)</sup> IN MILLIONS OF NIS - ANNUAL



	2022E	2021	2020	2019	2018	2017	2016
● Offices <sup>(2)</sup>		390	407	391	355	336	276
● Logistics and industry		185	157	127	114	91	90
● Commerce <sup>(3)</sup>		149	113	148	152	150	144
● Supermarkets		45	46	44	43	42	43
● Other		13	13	16	15	14	14
<b>Total</b>	<b>930</b>	<b>782</b>	<b>736</b>	<b>726</b>	<b>679</b>	<b>633</b>	<b>567</b>

- The NOI figures do not include unattributable expenses
- In December 2020, a property in Givatayim was reclassified from revenue-generating property to property under construction, and at the second quarter of 2022, classification for yielding real estate
- In 1-9.21: coronavirus concessions in the amount of NIS 20 million (for January and February 2021 quarantine months).

## BREAKDOWN OF VALUE OF PROPERTIES BY USES IN MILLIONS OF NIS



	30.09.22	2021	2020	2019	2018	2017	2016
● Offices <sup>(1)</sup>	7,872	6,754	6,508	6,753	5,403	5,186	4,695
● Logistics and industry	4,518	4,256	2,577	2,347	1,691	1,227	1,206
● Commerce	2,793	2,693	2,612	2,719	2,228	2,215	2,143
● Supermarkets	770	737	718	723	639	628	625
● Other	248	238	236	238	208	204	198
<b>Total income-generating properties</b>	<b>16,201</b>	<b>14,678</b>	<b>12,651</b>	<b>12,780</b>	<b>10,169</b>	<b>9,460</b>	<b>8,867</b>
Total investment properties under construction	2,202	2,447	1,223	621	871	584	413
<b>Total investment properties</b>	<b>18,403</b>	<b>17,125</b>	<b>13,874</b>	<b>13,401</b>	<b>11,040</b>	<b>10,044</b>	<b>9,280</b>

1. Since the first quarter of 2022, the property Amot Holon Campus has been classified as investment property, instead of property under construction, in the amount of NIS 470 million, and during the second quarter of 2022, the office building in Givatayim was classified from real estate under construction to yielding real estate.

## A SNAPSHOT OF COMPANY'S DATA

	<b>% Change 2021/22</b>	<b>1-9/22</b>	<b>1-9/21</b>	<b>% Change 2021/22</b>	<b>7-9/22</b>	<b>7-9/21</b>	<b>2021</b>
NOI	21%	688	567	22%	240	197	780
Net profit		695	314		195	16	932
Real FFO	30%	548	420	32%	196	149	583 <sup>(1)</sup>
FFO per share (NIS)	16%	118.7	101.9	16%	41.7	35.9	138.9 <sup>(1)</sup>
Weighted shares quantity	12%	461,280	412,106	13%	469,757	414,684	419,750
Change in index		4.4%	2.2%		1.23%	0.79%	2.4%

1. Net of one-off finance expenses

NOI - The increase relative to the corresponding period last year was due to newly acquired properties, concessions which were given to lessees of the commercial centers in the corresponding period last year, increase in same property NOI and the increase in revenue with respect to areas whose construction concluded.

Net profit - the increase in net profit compared to the corresponding period last year is due to an increase in NOI and the increase in fair value in the reported period (mainly due to the increase in the index in the reported period) compared to the corresponding period last year which were offset by the increase in the expenses of the linkage differences on the company's debt.

Real FFO and FFO per share - The increase versus the corresponding period last year largely derives from an increase in NOI, and from a decrease in current taxes (the decrease in current taxes partially derives from the increase in CPI in the reported period by a rate of 4.4% against a 2.2% increase in the corresponding period last year). The FFO per share in the reported period increased by 16%, as a result of an 12% increase in the Company's weighted number of shares.

# SET FORTH BELOW ARE PRINCIPAL DATA ABOUT THE COMPANY'S PROPERTIES, BY USES AND

Uses	Above-ground area as of 30.09.2022	NOI for the period 1-9.2022	Fair value of income-generating real estate as of 30.09.2022	Occupancy rate as of 30.09.2022	Fair value of real estate under construction Including building rights as of 30.09.2022
	Sqm	NIS in thousands	NIS in thousands	%	NIS in thousands
Office	447,142 <sup>(1)</sup>	330,553	7,871,550	88.5%	1,378,533
Logistics and industrial	503,034	183,600	4,517,628	100%	417,492
Retail centers	130,012	129,469	2,792,830	98.0%	9,539
Supermarkets	37,694	35,063	769,544	100%	-
Other	23,553	12,040	249,227	100%	396,333
<b>Total Above-ground</b>	<b>1,141,435</b>	<b>687,738 <sup>(2)</sup></b>	<b>16,200,779</b>	<b>94.8%</b>	<b>2,201,897</b>
Total open storage space	96,870				
Total parking spaces	606,360				
<b>Total spaces</b>	<b>1,844,665</b>				

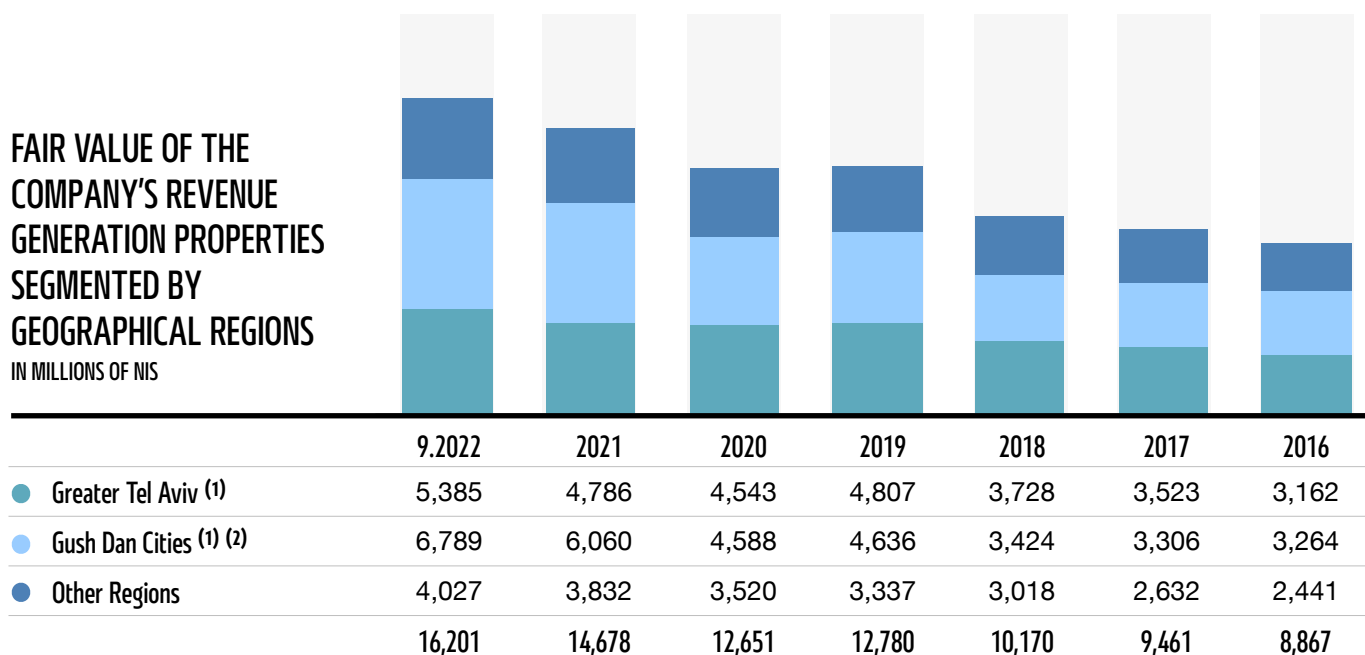
- Since the first quarter of 2022, Amot Holon Campus was classified under yielding real estate, with an aboveground area of 47 thousand square meters (the Company's share), and during the second quarter, an office building in Givatayim was classified as yielding real estate, with an scope of 17.5 thousand square meters.
- Including non-attributable expenses.

Uses	Fair value of income-generating real estate as of 30.09.2022	Fair value of real estate under construction Including building rights as of 30.09.2022	Total value of income-generating and under construction real estate Including building rights as of 30.09.2022	Fair value of income-generating and under construction real estate Including building rights per uses as of 30.06.2022
	Sqm	NIS in thousands	NIS in thousands	%
Office	7,871,550	1,378,533	9,250,083	50%
Logistics and industrial	4,517,628	417,492	4,935,120	27%
Retail centers	2,792,830	9,539	2,802,369	15%
Supermarkets	769,544	-	769,544	4%
Other	249,227	396,333	645,560	4%
<b>Total Above-ground</b>	<b>16,200,779</b>	<b>2,201,897</b>	<b>18,402,676</b>	<b>100%</b>

- Includes properties under joint control which are accounted for using the equity method in the financial statements.
- The area does not include 18,300 parking spaces (around 65% of them covered), with an area of approximately 606 thousand square meters.

# PRINCIPAL DATA ABOUT THE COMPANY'S PROPERTIES, BY GEOGRAPHICAL REGIONS

FAIR VALUE OF THE  
COMPANY'S REVENUE  
GENERATION PROPERTIES  
SEGMENTED BY  
GEOGRAPHICAL REGIONS  
IN MILLIONS OF NIS



- Since the first quarter of 2022, the property Amot Holon Campus has been classified as investment property. The property has an area of 47 thousand square meters (the Company's share) and during the second quarter, an office building in Givatayim was classified as yielding real estate, with an scope of 17.5 thousand square meters.
- Gush Dan Cities cover major conurbations outside of Tel Aviv including Holon, Herzeliya, Kiryat Ono, Petach Tikva, Netanya, Lod, Zrifin and more.

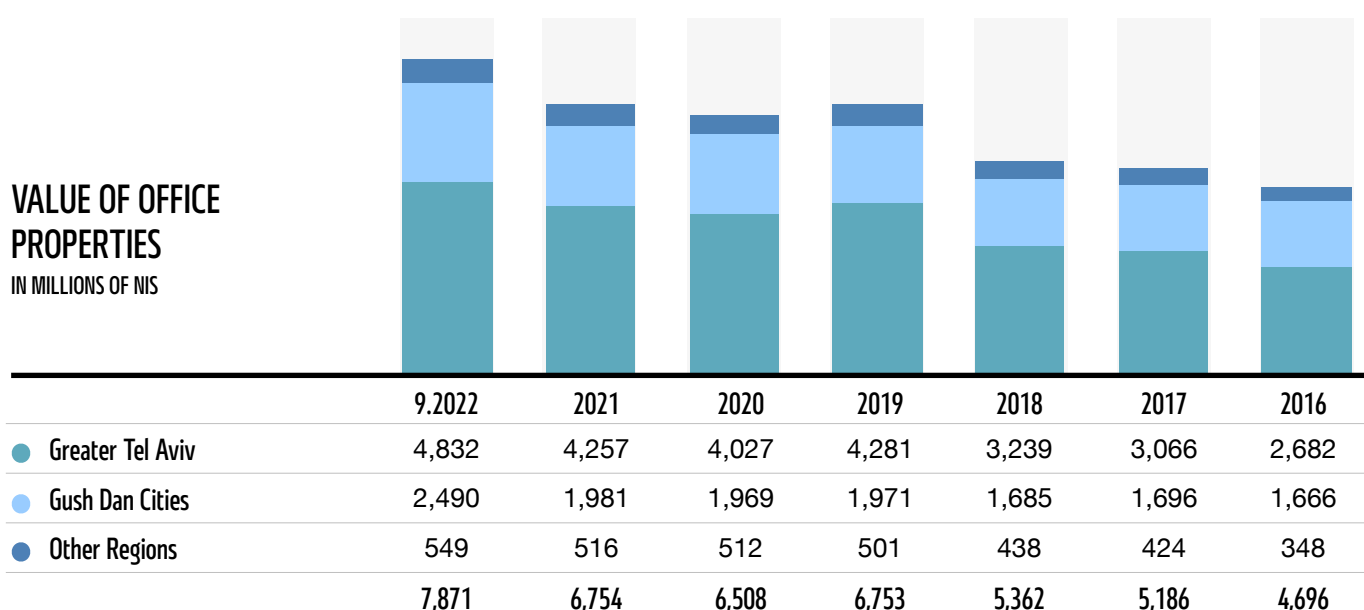


## PRINCIPAL INFORMATION REGARDING THE COMPANY'S OFFICE PROPERTIES, SEGMENTED BY USES AND GEOGRAPHICAL REGIONS

Geographical region	Aboveground area as of September 30, 2022	NOI for 1-9.2022	Fair value of revenue-generating properties as of September 30, 2022	Proportion of total properties	Average monthly rent during 1-9.2022
	Square meters	In thousands of NIS	In thousands of NIS	In percent	In NIS per square meter
Greater Tel Aviv	200,595	202,491	4,832,013	61%	109
Gush Dan Cities <sup>(1)</sup>	198,275	102,775	2,490,288	32%	70
Other Regions	48,272	25,287	549,249	7%	61
<b>Total</b>	<b>447,142</b>	<b>330,553</b>	<b>7,871,550</b>	<b>100%</b>	

Geographical region	Aboveground area as of September 30, 2021	NOI for 1-9.2021	Fair value of revenue-generating properties as of September 30, 2021	Proportion of total properties	Average monthly rent during 1-9.2021
	Square meters	In thousands of NIS	In thousands of NIS	In percent	In NIS per square meter
Greater Tel Aviv	183,587	167,295	4,085,014	62%	108
Gush Dan Cities <sup>(1)</sup>	151,595	97,220	1,989,264	30%	68
Other Regions	47,216	25,001	516,916	8%	61
<b>Total</b>	<b>382,398</b>	<b>289,516</b>	<b>6,591,194</b>	<b>100%</b>	

1. Since the first quarter of 2022, the property Amot Holon Campus has been classified as investment property. The property has an area of 47 thousand square meters (the Company's share) and during the second quarter, an office building in Givatayim was classified as yielding real estate, with an scope of 17.5 thousand square meters.



# DATA REGARDING PROJECTS UNDER CONSTRUCTION, DEVELOPMENT AND PLANNING

30.09.2022

Property name	Location	Primary use	Holding rate	Estimated completion date	Square meter for marketing above-ground 100%	Square meter for marketing above-ground	Project's book value	Estimated construction cost	Projected NOI upon occupation of the project
<b>Projects under construction <sup>(1)</sup></b>									
						Company's share in million of NIS			
<b>Amot Modi'in <sup>(3)</sup></b>	Modi'in	Offices	75%	2022	9,000	6,750	59	60-70	5
<b>Halehi complex</b>	Bnei Brak	Offices	50%	2025	82,000	41,000	269	610-630	48-52
<b>K complex Jerusalem <sup>(4)</sup></b>	Jerusalem	Offices	50%	2026	103,000	51,500	120	540-570	46-50
<b>Logistic center Beit Shemesh</b>	Beit Shemesh	Logistics	60%	2024	50,500	30,300	71	205-210	15-17
<b>Park Afek</b>	Rosh HaAyin	Offices	50%	2024	8,400	4,200	7	30-35	3
<b>ToHa2</b>	Tel Aviv	Offices	50%	2026	160,000	80,000	497	1,450-1,550	130-150
<b>Total</b>					<b>412,900</b>	<b>213,750</b>	<b>1,023</b>	<b>2,895-3,065</b>	<b>247-277</b>
<b>Projects in Planning <sup>(2)</sup></b>									
<b>1000 Complex in Rishon Letzion</b>	Rishon Letzion	Offices	100%	TBD	19,000	19,000	36	260-280	TBD
<b>Platinum Stage B <sup>(5)</sup></b>	Petah Tikva	Offices	100%	TBD	27,000	27,000	34	210-230	TBD
<b>Amot Shaul</b>	kfar Saba	Offices	50%	TBD	35,000	17,500	71	160-180	TBD
<b>Total</b>					<b>81,000</b>	<b>63,500</b>	<b>141</b>	<b>630-690</b>	
<b>Total under construction and planing</b>					<b>493,900</b>	<b>277,250</b>	<b>1,164</b>	<b>3,525-3,755</b>	
<b>Projects in development <sup>(6)</sup></b>									
<b>Lot 300, Hashalom Rd.</b>	Tel Aviv	Residential/Retail	100%	TBD			266	TBD	TBD
<b>Tzrifin logistic center</b>	Tzrifin		100%	TBD			250	TBD	TBD
<b>Others</b>							522	TBD	TBD
<b>Total projects in development and others</b>							<b>1,038</b>		
<b>Total</b>							<b>2,202</b>		

- The cost of construction includes the land component and parking garages, tenants improvements and capitalizations.
- The cost of construction includes the land component and parking garages and does not include tenants improvements and capitalizations.
- Over the course of 2020, the Company reclassified the logistics centers section from real estate under construction to investment property, to the sum of 187 million NIS (Company's share).
- Subject to the completion of additional rights in the K Compound in Jerusalem.
- completion of additional construction rights in order to build a tower matching Platinum Stage A.
- Since the first quarter of 2022, the construction of Amot Holon Campus was completed, and the property was classified as yielding real estate.
- Starting from the second quarter of 2022 the upgrade to the Amot Givatayim Building was finished and the property began generating income, and as a result the property was reclassified as yielding real estate.
- Projects in development that their value in the company books is more than 200 million NIS, per project.

# PROJECTS UNDER CONSTRUCTION

## AMOT MODI'IN

The project includes a logistics center with an area of approximately 42.7 thousand square meters, and an office building with an area of approximately 9 thousand square meters. The entire logistics center will be rented to Shufersal over a period of 15 years with an option to extend the period, in annual rents calculated according to 8% return on the total investment cost. Furthermore, in accordance with the agreement between the parties, the logistics center began producing income beginning in mid-July 2020, and was reclassified from real estate under construction to revenue-generating real estate. The partnership's total investment in the construction of the project is estimated at approximately NIS 420 million (the Company's share in the investment is 75%, and is estimated at approximately NIS 320 million, Shufersal's share is 25%). The Company's expected income is estimated in the amount of approximately NIS 25 million per year. As of the reporting date, the project is in the finishing works stage at the logistics center, with an emphasis on works of the automation contractor, and is approaching the beginning of finishing works in the office building. Project readiness for Form 4 is expected in December 2022.

## HALEHI COMPLEX

The lot is located in North Bnei Brak Business Complex, next to Park HaYarkon and Ramat HaHayal complex, and close to Ayalon shopping mall. The parties are working together on the planning, development and construction of an office and retail project on the lot, which will include approximately 82 thousand square meters of aboveground area, including 42 office stories, above 3 retail stories. The investment in the construction of the project (including the land component and the parking basements) is estimated by the parties at a total of approximately NIS 1,200 million (the Company's share - 50%). As of the date of the report, the project is in the stages of making a skeleton and finishing works on the parking lot and the upper tower.

## K COMPLEX

On June 14th, 2020, the Company, together with Allied Real Estate Ltd., won a tender for the lease of a lot with an area of approximately 4.5 dunams (constituting the K complex) in the "Sha'ar Ha'ir" complex, which is expected for construction at the entrance to Jerusalem. The project at a scope of approximately 79 thousand square meters of aboveground areas according to the current zoning plan, and approximately 103 thousand square meters according to the zoning plan that was deposited, as well as the right to attach 200 built parking spaces in an underground public parking lot adjacent to the complex (the Company's share - 50%). The investment in the construction of the project, including the land component, is estimated by the parties at a total of approximately NIS 1,100 million (the Company's share - approximately NIS 550 million). As of the reporting date, the project is during the quarrying work.

## BEIT SHEMESH LOGISTICS CENTER

In June 2021 the Company acquired from Y.D.E. Menivim Ltd. 60% of a lot with an area of 40 dunams in Beit Shemesh, for the construction of a logistics center, for a total consideration of NIS 53 million. The Company is currently promoting a zoning plan which would increase the construction area in the lot, to a total of approximately 50 thousand square meters, expected to receive the building permit December 2022. As part of the engagement between the parties, it was agreed that the companies would jointly build an advanced logistics center, to include two tall stories, each with a height of 15 meters, for a total cost of approximately NIS 345 million, with the Company's share being NIS 205 million. As of the reporting date, the project is in the middle of skeleton works.

See above for the events during the period and after - the signing of a lease agreement with "Logisticare".

# PROJECTS UNDER CONSTRUCTION, DEVELOPMENT AND PLANNING

## AMOT DENISRA - PARK AFEK

Joint project of the Company and of Denisra International Ltd. (50% share for each party) for the construction of a fourth office building above an existing commercial floor in Amot Park Afek Complex in Rosh Ha'ayin. The entire complex is jointly owned by the parties.

The building will include 6 floors above the ground floor, with a total area of 8,400 square meters. The building rights for the construction of the building were received within the framework of a zoning plan which the parties promoted, and which entered into effect in 2020. The total investment in the construction of the project is estimated at a total of NIS 65 million (the Company's share: 50%). Expected to receive a building permit in the first quarter of 2023.

## ToHa2 (TOTZERET HA'ARETZ)

In August 2021, the partners acquired the rights to build the ToHa2 project from Tel Aviv Municipality, and leased the land until 2108 (including extension of the lease period with respect to the land for the ToHa1 project until that date).

In October 2021, the Company's Board of Directors passed a resolution to build and market the ToHa2 project in Tel Aviv. The project will be built by the Company and Gav-Yam Bayside Land Corporation Ltd., which jointly own the rights, in equal parts, to Adar land at the intersection of Totzeret Ha'aretz, Yigal Alon and Derech HaShalom streets in Tel Aviv (the "Partners"). The project is being executed subsequent and adjacent to ToHa1, which is also held by the partners. The ToHa2 project includes around 160 thousand square meters of aboveground areas for marketing, and approximately 45 thousand square meters of underground parking lot areas. The partners estimate that the total construction cost (including with respect to adjustment works for the lessees - TI) will amount to a total of approximately NIS 3 billion (the Company's share - NIS 1.5 billion), of which a total of approximately NIS 735 million has been paid to date (the Company's share - NIS 368 million).

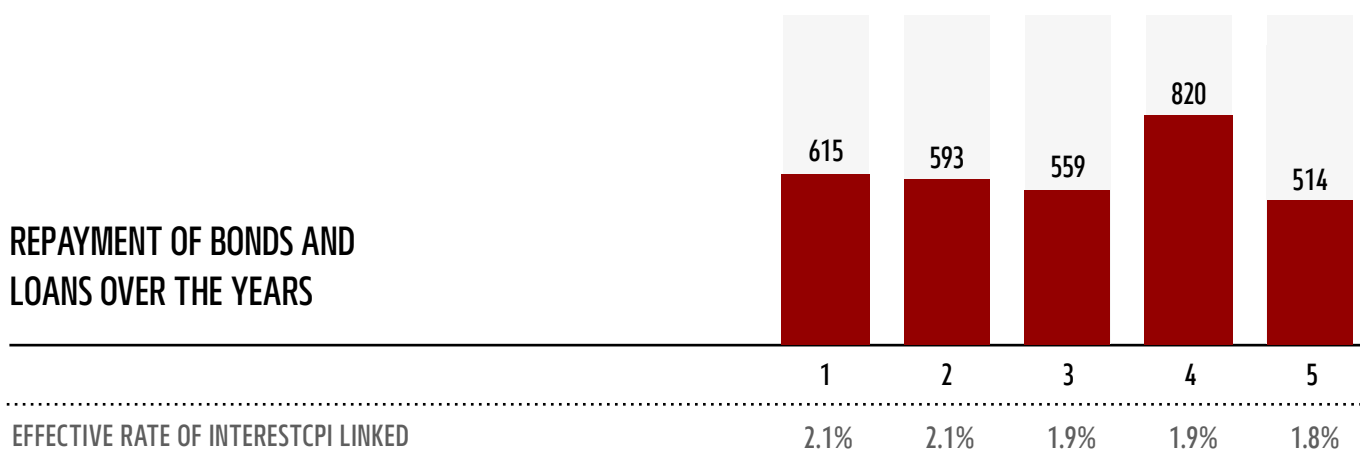
Construction of ToHa2 began as following the completion of the partial underground parking garage, and is expected to be completed over the course of 2026. The expected revenues from ToHa2 upon its completion and full population, on the basis of rental prices currently practiced in the area, are estimated at 280 million NIS (Company's share 140 million NIS).

# MANAGEMENT OF DEBT STRUCTURE

The Company's policy is to maintain an effective leverage ratio by raising debt with long lifetimes, and without giving pledges. The Company's gross total debt as of September 30, 2022 amounted to NIS 8.1 billion. The average lifetime of the debt is 5.4 years, and the weighted effective interest rate is 1.56%, CPI-linked.

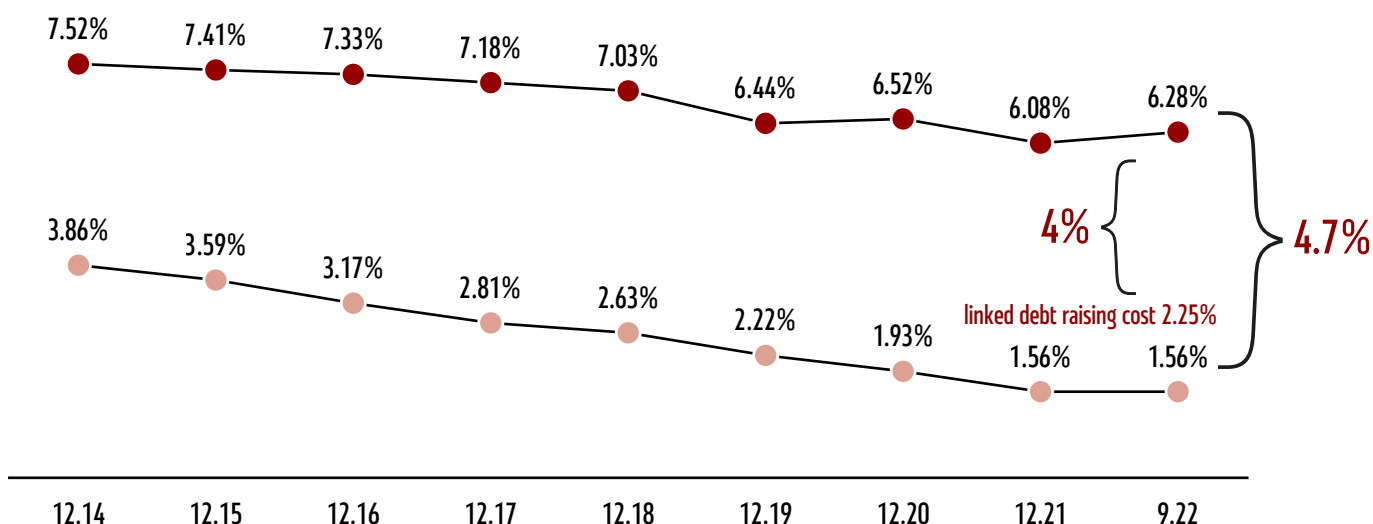
**As of the publication date of the report, the Company has cash balances at a scope of approximately NIS 150 million, and unused credit facilities in the amount of NIS 1,100 million.**

All of the Company's assets (98%) are unpledged, giving the Company flexibility in times of crisis, and the ability to leverage significant opportunities.



The repayments pertain to the year beginning on October 1 and ending on September 30 of the subsequent year.  
The spread of payments does not include the utilization of a credit line.

### MARGIN OF REAL GROSS RETURN ON INCOME-GENERATING ASSETS AND WEIGHTED INDEX-LINKED COST OF DEBT



- Weighted discount rate
- Weighted debt interest CPI linked

The cost of raising debt is based on Amot bonds (series H), 7.4 years maturity, according to the market price for November 14, 2022.

# NOI

## NET OPERATING INCOME

Set forth below is data regarding the Company's NOI (income from renting out and operation of properties, net of depreciation and amortization):

In the opinion of Company's management, NOI is one of the most important parameters in the valuation of income-generating real estate, since dividing this data by the generally acceptable cap rate in the purpose and geographic area in which the property is located constitutes one of the indications for determining the value of the property (in addition to other indications such as the market value of similar properties in that area, sale prices per built square meter, which are derived from transactions entered into recently, etc.).

In addition, NOI is used to measure the free and available cash flow for the service of financial debt undertaken for the purpose of funding the purchase of the property, after offsetting from the NOI the investments in improvements and maintaining the existing condition of the property (Capex). It is hereby emphasized that the NOI:

- A. Does not present cash flows from current operations in accordance with generally accepted accounting principles.
- B. Does not reflect cash held by the Company to finance all its cash flows, including its ability to distribute funds.
- C. Is not supposed to be considered as a replacement for net profit for purposes of evaluating the Company's results of operations.

### DEVELOPMENT OF NOI (IN THOUSANDS OF NIS)

	Third quarter 2022	Second quarter 2022	First quarter 2021	Fourth quarter 2021	Third quarter 2021
<b>Same properties during the period</b>	215,322	208,960	205,148	200,154	197,235
<b>New properties / classified as investment property</b>	24,629	19,234	14,285	12,697	-
<b>NOI - Total</b>	<b>239,951</b>	<b>228,194</b>	<b>219,433</b>	<b>212,851</b>	<b>197,235</b>

NOI in the Third quarter of 2022 amounted to approximately NIS 240 million, as compared with approximately NIS 197 million in the corresponding quarter last year, representing an increase of 22%.

The increase was due to the addition in same properties (among other things as a result of the increase in the consumer price index), the addition of revenue from new properties, and from properties whose construction concluded and which began to generate revenue. NOI in the first quarter of 2022 included non-recurring income in the amount of NIS 2.3 million.

Same property NOI in the Third quarter of 2022 amounted to 215 million NIS compared to 197 million NIS in the corresponding quarter last year, an 9% increase.

# WEIGHTED RATE OF RETURN

Set forth below is a calculation of the weighted rate of return (cap rate) derived out of all of the Company's income-generating real estate as of September 30, 2022

	<b>Millions of NIS</b>
Investment property as per extended consolidated financial statements as of September 30, 2022	16,201
Less – value of land classified as investment property	(10)
Income-generating investment property as of September 30, 2022	16,191
Less – value attributed to unoccupied spaces	(684)
Projected investments	58
<b>Investment property attributed to rented spaces as of September 30, 2022</b>	<b>15,565</b>
<b>NOI – Third quarter 2022</b>	<b>240</b>
<b>Annual NOI based on the NOI for the Third quarter of 2022</b>	<b>960</b>
The expected NOI in respect of cash flows from rental fees in accordance with signed rental contracts and accumulated linkage differentials	17
<b>Total expected annual NOI standardised <sup>(1)</sup></b>	<b>977</b>
<b>Weighted rate of return derived from income-generating investment property (Cap Rate)</b>	<b>6.28%</b>

1. The above mentioned NOI does not reflect the Company's projection; for information about the Company's projection, see page 26.

## SENSITIVITY ANALYSIS FOR INVESTMENT PROPERTY

The following is a sensitivity analysis for the investment property at a discount rate (Cap Rate) based on the amended NOI (including companies in joint arrangements): based on an NOI of 977 million (amended NOI), the impact of any change of 0.25% in the discount rate (Cap Rate) on the adjustment of the fair value is **NIS 621 million** (approximately NIS 478 million after deducting deferred taxes at a rate of 23%).

# FFO

## FUNDS FROM OPERATIONS

FFO is a metric commonly used in the USA, Canada and Europe to provide additional information on the results of the operations of income-generating real estate companies. This metric provides a proper basis for comparison between income-generating real estate companies and it is not required in accordance with accounting principles. FFO reflects net reported income, net of income (or losses) from sale of properties, plus depreciation and amortization (in respect of real estate) and net of deferred taxes and expenses not involving cash flows.

The Company believes that analysts, investors and shareholders may obtain information providing added value from the measurement of the Company's results of operations on an FFO basis. FFO data is used, among other things, by analysts in order to assess the rate of dividend distribution out of results of operations on an FFO basis of real estate companies. It should be emphasized that the FFO:

- Does not present cash flows from current operations in accordance with generally accepted accounting principles.
- Does not reflect cash held by the Company and its ability to distribute it.
- Is not supposed to replace reported net profit for purposes of evaluating the Company's results of operations.

Real FFO is a measure calculated according to the approach of the company management

### SET FORTH BELOW IS A CALCULATION OF THE FFO (IN THOUSANDS OF NIS)

	% Change	1-9.22	1-9.21	Change %	7-9.22	7-9.21	2021
Net profit for the period		695,466	313,802		195,355	15,774	932,154
Fair value adjustment		(560,146)	(136,728)		(118,756)	0	(868,597)
Amortization of transaction costs with respect to property purchases		18,248	114,334		15,821	106,293	120,583
Deferred taxes, land appreciation tax and others		77,977	26,871		20,818	(18,866)	258,168
Amortization of options		4,195	3,483		1,552	1,122	4,826
Depreciation and miscellaneous		2,435	3,620		799	1,906	4,506
<b>Nominal FFO</b>		<b>238,175</b>	<b>325,382</b>		<b>115,589</b>	<b>106,229</b>	<b>451,640</b>
linkage differences on principal of debt and exchange differences		309,329	94,600		80,293	42,712	112,327
<b>Real FFO</b>	<b>30%</b>	<b>547,504</b>	<b>419,982</b>	<b>32%</b>	<b>195,882</b>	<b>148,941</b>	<b>563,967</b>
Weighted number of shares	12%	461,280	412,106	13%	469,757	414,684	419,750
<b>Per share FFO (in Agorot)</b>	<b>16%</b>	<b>118.7</b>	<b>101.9</b>	<b>16%</b>	<b>41.7</b>	<b>35.9</b>	<b>134.4</b>
<b>Real FFO exc. of one-off financing expenses<sup>(1)</sup></b>	<b>30%</b>	<b>547,504</b>	<b>419,982</b>	<b>32%</b>	<b>195,882</b>	<b>148,941</b>	<b>582,965</b>
Weighted number of shares	12%	461,280	412,106	13%	469,757	414,684	419,750
<b>FFO per share (in Agorot) exc. of one-off financing expenses</b>	<b>16%</b>	<b>118.7</b>	<b>101.9</b>	<b>16%</b>	<b>41.7</b>	<b>35.9</b>	<b>138.9</b>
Change in index in the period <sup>(2)</sup>		4.4%	2.2%		1.23%	0.80%	2.4%

1. Real FFO in 2021 does not include taxes paid due to an assessments agreement entered into by the Company with the income tax authorities for the years 2016-2019.

2. Changes in the consumer price index affect the amount of current tax expenses.

Increases / decreases in the consumer price index lead to increases / decreases in financing expenses due to CPI-linked debt, leading to a decrease / increase in current tax provisions.

The change in real FFO in the current period, compared with the same period last year, was mostly due to the increase in NOI, the decrease in real financing expenses, and the decrease in current taxes due to the impact of the CPI.

FFO per share in the current quarter, amounted to 118.7 agorot, as compared with 101.9 agorot in comparable quarter last year, representing an increase of 16%, along with an increase of 12% in the weighted total of shares.

# EPRA

## EUROPEAN PUBLIC REAL ESTATE ASSOCIATION

The EPRA index is an index that includes European public companies engaged in income-generating real estate. The company is included in the EPRA index as of 23 March 2020.

The Company decided to adopt the position paper published by EPRA, whose objective is to increase transparency, uniformity and comparability of financial information reported by the real estate companies included in the index. Set forth below is a report about two financial metrics that were calculated in accordance with this position paper.

It should be emphasized that the metrics set out below do not include the component relating to the projected profit from projects under construction, which has not yet been recorded in the financial statements. These data do not constitute an appraisal of the Company's value; they are not audited by the Company's independent auditors and do not substitute the financial statement data.

### EPRA NRV INDICATOR (IN THOUSANDS OF NIS)

The EPRA NRV indicator reflects the net realizable value of the Company's net assets over the long term, assuming continued future activity and non-realization of real estate properties, therefore requiring certain adjustments, such as cancellation of deferred taxes due to the revaluation of investment property.

	30/09/2022	31/12/2021
Equity attributed to Company's shareholders in the financial statements	8,425,217	7,600,588
Plus – deferred tax in respect of revaluation of investment property to its fair value	1,609,251	1,531,385
EPRA NRV	10,034,468	9,131,973
EPRA NRV per share (Agorot)	2,136	2,063
Number of shares at end of period (in thousands of NIS par value)	469,840	442,599

### EPRA NTA INDICATOR (IN THOUSANDS OF NIS)

The EPRA NTA indicator reflects the net value of the Company's tangible assets. The assumption underlying the indicator is that entities buy and sell assets, and therefore only part of the deferred taxes due to the revaluation of investment property are neutralized.

	30/09/2022	31/12/2021
Shareholders equity according to the company Financial statements	8,425,217	7,600,588
Plus – 50% of the deferred tax in respect of revaluation of investment property to its fair value	804,626	765,693
EPRA NTA	9,229,843	8,366,281
EPRA NTA per share (Agorot)	1,964	1,890
Number of shares at end of period (in thousands of NIS par value)	469,840	442,599

### EPRA NDV INDICATOR (IN THOUSANDS OF NIS)

The EPRA NDV indicator reflects the net settlement value of the Company's assets in case of the sale of assets and the repayment of liabilities. The calculation of the indicator includes taking into account all deferred taxes with respect to the appreciation of the assets which will apply upon the sale of the assets, and a fair value adjustment of financial liabilities is performed. It is noted that this indicator should not be interpreted as constituting the value of the Company's assets upon liquidation, since in many cases fair value does not represent asset value in case of liquidation.

	30/09/2022	31/12/2021
Shareholders equity according to the company Financial statements	8,425,217	7,600,588
Adjustment of the value of financial liabilities to fair value	306,357	(788,681)
EPRA NDV	8,731,574	6,811,907
EPRA NDV per share (Agorot)	1,858	1,539
Number of shares at end of period (in thousands of NIS par value)	469,840	442,599

# FORECAST 2022

As part of the Company's 2022 business plan, including properties purchased during the Reported Period, renters and rental agreements, the operating expenses of all properties, while striving to achieve optimal utilization of the resources available to us. The business plan was drawn up bearing in mind the macroeconomic data of 2021. The plan sets challenging targets to Company's management and employees.

Set forth below is the Company's projection as to its principal operating results in 2022, based on the following work assumptions:

- Consumer price index - Increase in CPI by 4.6%.
- No material changes will take place in the business environment in which the Company operates in Israel.
- The rental agreements are signed and Company's management expectations as to renewal of current rental agreements in 2022.

The company examined the forecast and decided to update its forecast upward for the following reasons: advancement of rentals in vacant areas, rentals at higher prices and parking profits higher than the company's estimate.

	Actual 1-9/2022	Updated forecast 9/2022	forecast 6/2022	Original forecast 2022	Actual 2021
<b>NOI (in millions of NIS)</b>	688	Approx. 930	905-915	860-890	780
<b>Real FFO (in millions of NIS)</b>	548	Approx. 740	713-723	675-695	583
<b>FFO per share (in NIS)</b>	118.7	Approx. 159	154-156	149-153	138.9

The information regarding the projection for 2022 constitutes forward-looking information, as defined in Section 32a of the Securities Law, 1968. Forward-looking information is a projection, assessment, estimate or other information relating to a future event or matter the materialization of which is uncertain and not controlled solely by the Company.

# OPERATING RESULTS ACCORDING TO IFRS 11

## THE BUSINESS RESULTS (IN MILLIONS OF NIS)

	For the period		Comments and explanations
	1-9.2022	1-9.2021	
<b>Revenue from leasing and management of properties, net of property leasing costs (NOI)</b>	664	545	The increase was mostly due to the decrease in concessions given to lessees of retail centers relative to the corresponding quarter last year, the addition of income from same properties and new property purchases, and from properties whose construction concluded.
<b>Fair value adjustment of investment property</b>	545	135	During the reporting period, after fair value adjustments, due to the increase of the CPI.
<b>Reduction of transaction costs for the purchase of assets</b>	(18)	(114)	
<b>General and administrative expenses</b>	43	38	The increase was due to many factors.
<b>Net financing expenses</b>	382	175	The increase was due to the change in linkage differentials, 4.4% increase in the current period and 2.2% increase in the corresponding period last year.
<b>Tax on income expenses</b>	87	48	
<b>Net profit</b>	695	314	

## THE BUSINESS FINANCIAL SUMMARY, LIQUIDITY AND SOURCES OF FUNDING (IN MILLION OF NIS)

	For the period		Comments and explanations
	30.09.2022	31.12.2021	
<b>Total revenue-generating investment property</b>	15,640	14,136	The increase is mostly due to the classification of the buildings of the Holon campus and an office building in Givatayim as yielding real estate. Purchase of properties mainly HaShalom Road 15 and the adjustment of real estate value for investment.
<b>Working capital</b>	(673)	(526)	As of the publication date of the report, the Company has unused credit facilities in the amount of NIS 1,100 million.
<b>Financial debt, net</b>	7,820	7,321	
<b>Shareholders' equity</b>	8,425	7,600	The increase was due to comprehensive income for the period, and the issue of capital and options, after offsetting dividend distributions.

# CASH AND CREDIT FACILITIES

## CASH FLOWS

The positive cash flows arising to the Company from operating activities in the reported period amount to NIS 369 million <sup>(1)</sup> compared with NIS 418 million in 2021.

## APPROVED CREDIT FACILITIES:

As of the publication date of the report, the Company has six approved credit facilities, in the amount of NIS 1,230 million.

1. A credit facility from a banking institution in the total amount NIS 100 million, until December 28, 2022.
2. A credit facility from an institutional entity in Israel, in the total amount of NIS 180 million, until March 7, 2023.
3. A credit facility from a banking institution in the total amount NIS 150 million, until June 27, 2023.
4. A credit facility from a banking institution in the total amount NIS 400 million, until October 30, 2023.
5. A credit facility from a banking institution in the total amount NIS 200 million, until December 31, 2023.
6. A credit facility from an institutional entity in Israel, in the total amount of NIS 200 million, until May 31, 2024.

As of the reporting date, the unused credit facilities amounted to a total of NIS 1,100 million.

In order to use the above referenced credit facilities, the Company is required to meet the following conditions:

1. The Company's tangible equity will be no less, at any time, than 25% of the Company's total balance sheet, after deducting cash and cash equivalents, after deducting short term investments (short term marketable securities), and after deducting securities in connection with discontinued operations, on a consolidated basis.
2. The Company's ratio of net financial debt (after deducting investment property under construction) to NOI will not exceed 10 at any time.
3. The net financial debt to CAP ratio will not exceed 70%.
4. Alony Hetz is the Company's controlling shareholder.

As of the reporting date, the Company is fulfilling all of the financial covenants.

## WORKING CAPITAL

The working capital deficit as of September 30, 2022 amounted in NIS 673 million in the consolidated statements. As of the publication date of the report, the company has unutilized credit limits from banks and financial institutions, which can be withdrawn immediately at a scope of approximately NIS 1,100 million. The Company has an extensive series of signed contracts in respect of the coming years, and all of the Company's properties are therefore unpledged. The company's policy is to hold unutilized credit limits for the long term in lieu of cash and deposits.

In the opinion of the company's board of directors, in light of the above, the existence of a working capital deficit does not indicate a liquidity problem.

## LINKAGE BASES

The Company has financial liabilities amounting to app. NIS 8.1 billion, of which NIS 7.7 billion are linked to the CPI. The Company's income-generating real estate amounting to app. NIS 16 billion is mostly rented out under CPI-linked rental agreements and the Company views this linkage as a long-term inflation hedge.

## EQUITY

As of 30.09.22, Company's equity amounted to NIS 8.43 billion (per share equity of NIS 17.96).

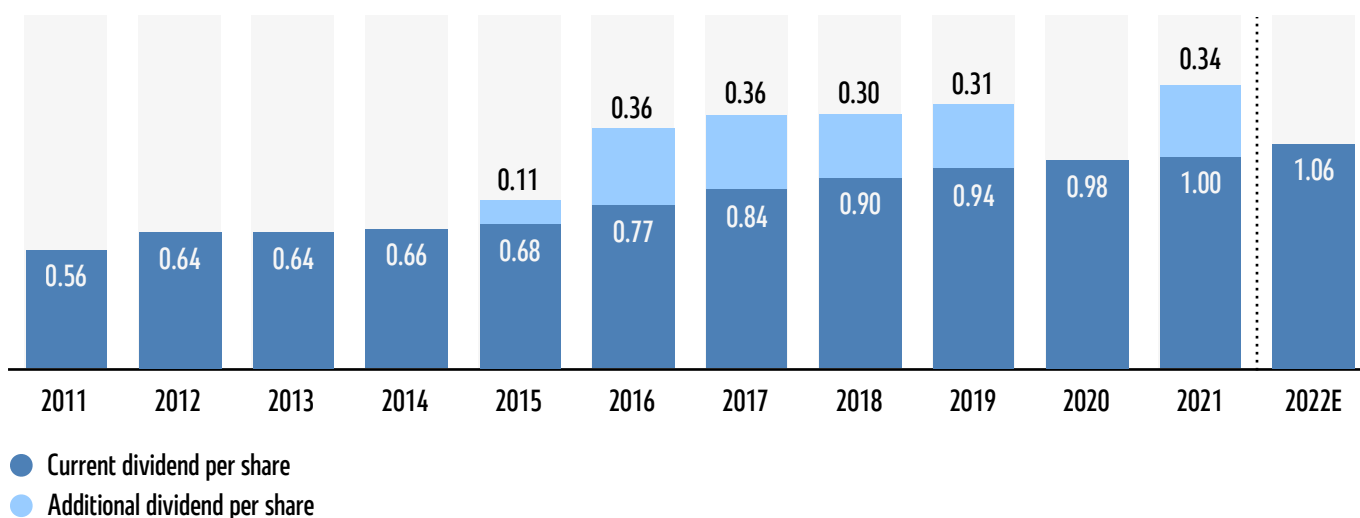
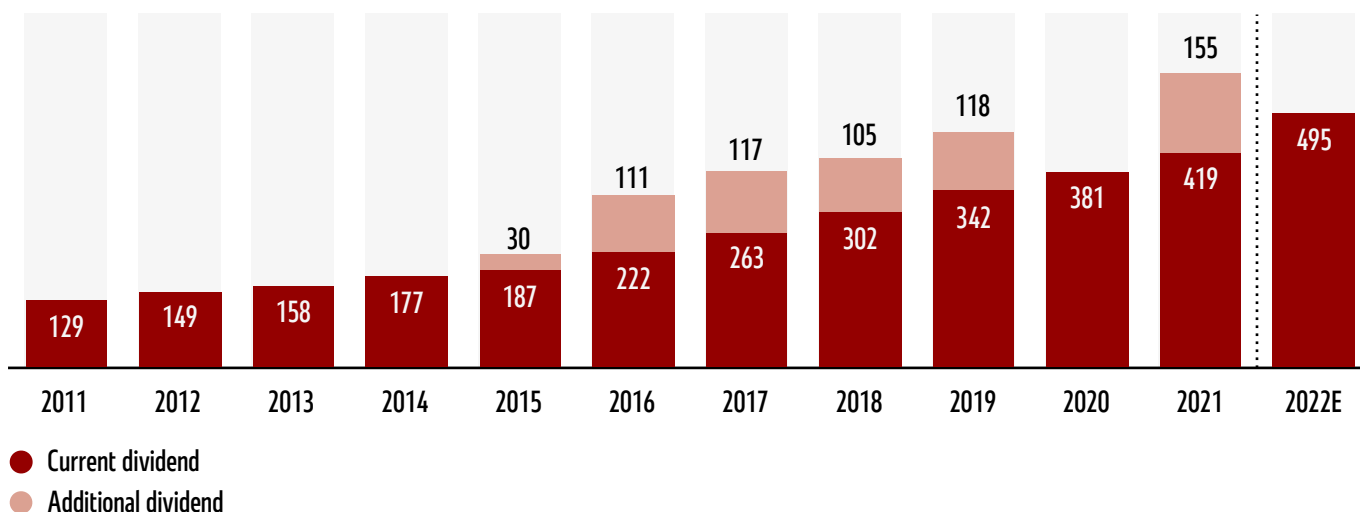
As of 31.12.21, Company's equity amounted to NIS 7.60 billion (per share equity of NIS 17.17)

1. In January 2022, the Company paid a total of NIS 134 million (not including interest and linkage) as part of the agreement regarding final tax assessments for the years 2016-2019, which was signed in December 2021. For details, see Note 17.h(1) to the consolidated financial statements for 2021.

# DIVIDEND DISTRIBUTION POLICY

In March 2022, the Company's Board of Directors determined that the Company intends, in 2022, to distribute minimum annual dividends in the amount of 106 agorot per share, to be paid in 4 quarterly payments, in the first and second quarters in the amount of 26 agorot per share, and in the third and fourth quarters in the amount of 27 agorot per share, subject to a specific resolution of the Board of Directors at the end of each quarter.

In accordance with this decision, in March, May and August 2022 the Company declared on distribution of dividends for the first, second and third quarters of 2022 for a sum total of 79 agorot per share (367 million NIS). In addition, in March 2022 the Company declared that it would be distributing additional dividends for 2021 to the amount of 34 agorot per share (155 million NIS), paid in March 2022. In total, a sum of 522 million NIS was paid over the course of the reported period. In addition, in November 2022 the Company declared that it would be distributing dividends for the four quarter to the sum of 27 agorot per share (127 million NIS), which will be paid in December 2022.



# LOOKING FORWARD

The Company operates in accordance with a long term strategy which is intended to expand and improve its portfolio of owned properties, while ensuring to build high-quality properties which benefit both people and the environment, and providing a full array of services to its customers. The realization of this strategy is achieved by developing and building new properties, buying properties, developing a property management company, and customer service. The Company frequent considers expansion through entry into additional fields of activity that overlap significantly with revenue-generating real estate. The Company incorporates debt raisings and capital issuances in order to serve its needs, while making sure to maintain a balanced debt structure.

The Company's Board of Directors would like to thank the holders of the Company's securities for their confidence in the Company.

As always, we would like to thank our shareholders for their support, our service providers for their tireless efforts, our lessees who have chosen Amot properties as a home of their businesses, and our dedicated employees, who work night and day to advance the Company's business.

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Nathan Hetz  
Chairman of the Board  
of Directors

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Shimon Abudraham  
CEO

**Date:**  
**November 14, 2022**

# APPENDIXES

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## APPENDIXES



# APPENDIX A EXTENDED CONSOLIDATED FINANCIAL STATEMENTS

Amot Investments Ltd. is a leading Israeli real estate company, focused on the management, leasing, maintenance, initiation and development of yielding properties in Israel.

# FINANCIAL DATA REGARDING EXTENDED CONSOLIDATED FINANCIAL STATEMENTS

The Company's extended financial statements are the Company's financial statements presented in accordance with IFRS, except for the application of IFRS 11 "Joint Arrangements" that was applied with retroactive effect to annual reporting periods starting on January 1, 2013. This means that investments in investees that are presented by the equity method and which were accounted for based on the proportionate consolidation method prior to the application of the standard (due to a contractual joint control arrangement), are neutralized and recovered by consolidating the investees using the proportionate consolidation method.



## 1.1

# EXTENDED CONSOLIDATED FINANCIAL STATEMENTS

	As of September 30		As of December 31
	2022	2021	2021
	NIS in thousands	NIS in thousands	NIS in thousands
<b>Current assets</b>			
Cash and cash equivalents	107,534	198,767	442,177
Trade receivable	25,896	28,965	23,831
Current tax assets, net	5,574	2,441	8,979
Other receivables	109,253	323,864	48,902
	<b>248,257</b>	<b>554,037</b>	<b>523,889</b>
<b>Non-current assets</b>			
Investment property	16,200,779	14,546,265	14,678,447
Investment property under construction	2,201,897	1,636,119	2,447,443
	<b>18,402,676</b>	<b>16,182,384</b>	<b>17,125,890</b>
Long-term receivables	51,493	95,668	93,926
Fixed assets, net	46,368	36,955	45,413
<b>Total non-current assets</b>	<b>18,500,537</b>	<b>16,315,007</b>	<b>17,265,229</b>
<b>Total assets</b>	<b>18,748,794</b>	<b>16,869,044</b>	<b>17,789,118</b>
<b>Current liabilities</b>			
Credit from banks and current maturities	684,471	1,257,394	578,299
Trade payable	29,435	29,935	22,464
Current tax liabilities, net	24,586	92,001	209,417
Other payables	149,617	130,315	157,049
Payables in respect of investment property	46,967	174,174	100,042
<b>Total current liabilities</b>	<b>935,076</b>	<b>1,683,819</b>	<b>1,067,271</b>
<b>Non-current liabilities</b>			
Bonds	6,730,790	5,863,079	6,694,298
Loans from banks and others	698,191	649,557	617,880
Provisions	16,483	16,483	16,483
Other	333,839	188,354	261,262
Deferred taxes, net	1,609,251	1,383,273	1,531,385
<b>Total non-current liabilities</b>	<b>9,388,554</b>	<b>8,100,746</b>	<b>9,121,308</b>
<b>Equity</b>			
Equity attributed to Company's shareholders	8,425,217	7,084,528	7,600,588
Non-controlling interest	(53)	(49)	(49)
<b>Total equity</b>	<b>8,425,164</b>	<b>7,084,479</b>	<b>7,600,539</b>
<b>Total liabilities and equity</b>	<b>18,748,794</b>	<b>16,869,044</b>	<b>17,789,118</b>

## 1.2 EXTENDED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

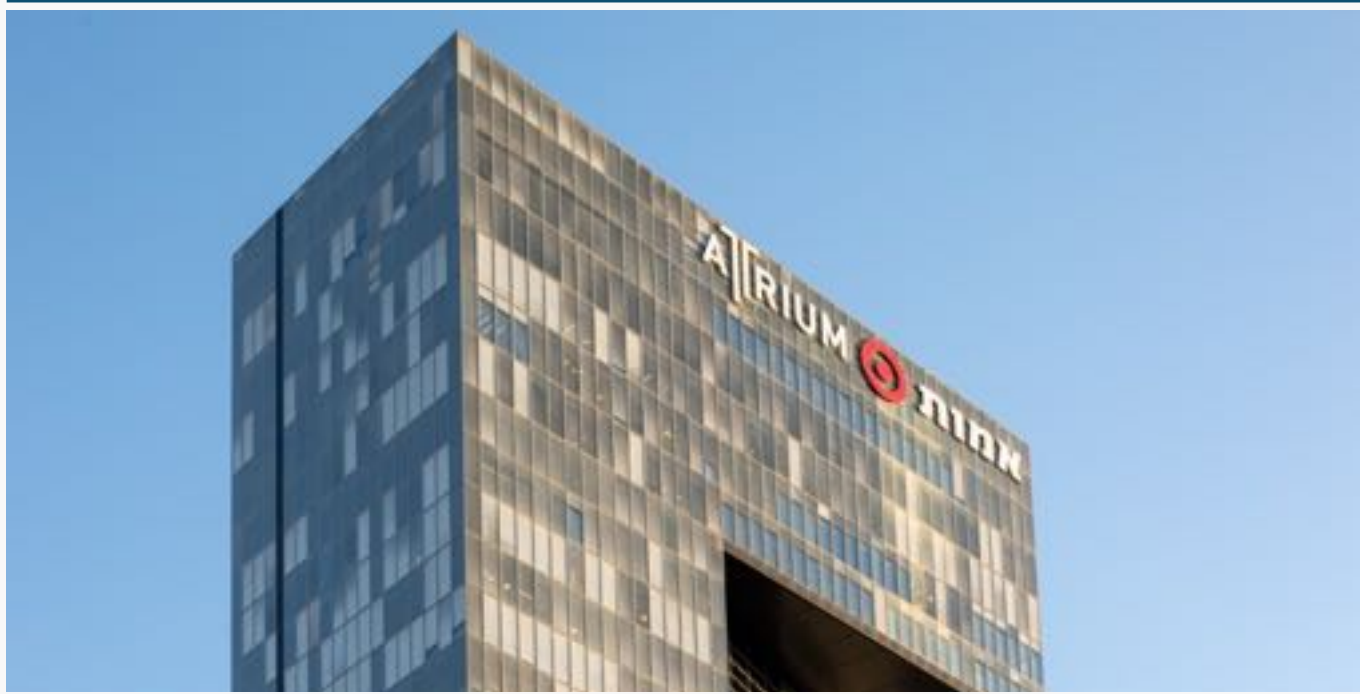
	For a period of nine months ended on 30 September		For a period of three months ended on 30 September		For the year ended December 31
	2022	2021	2022	2021	2021
	NIS in thousands	NIS in thousands	NIS in thousands	NIS in thousands	NIS in thousands
Revenue from rent and management of investment property	786,703	630,952	275,086	223,990	873,827
Cost or renting out and operating the properties	99,125	63,985	35,135	26,755	94,009
Gain from renting out and operating the properties	<b>687,578</b>	<b>566,967</b>	<b>239,951</b>	<b>197,235</b>	<b>779,818</b>
Adjustment of fair value of investment property, net	560,146	136,728	118,756	-	868,597
Transaction cost reduction due to properties purchase	(18,248)	(114,334)	(15,821)	(106,293)	(120,583)
	<b>1,229,476</b>	<b>589,361</b>	<b>342,886</b>	<b>90,942</b>	<b>1,527,832</b>
General and administrative expenses and donations	46,705	41,304	15,642	14,927	56,518
Other expenses (income), net	144	1,683	62	1,233	1,860
<b>Profit from ordinary activities</b>	<b>1,182,627</b>	<b>546,374</b>	<b>327,182</b>	<b>74,782</b>	<b>1,469,454</b>
linkage differences on principal of debt and exchange differences	(309,329)	(94,600)	(80,293)	(42,712)	(112,327)
Real interest expenses	(87,324)	(87,955)	(26,124)	(27,994)	(136,054)
<b>Income before taxes on income</b>	<b>785,974</b>	<b>363,819</b>	<b>220,765</b>	<b>4,076</b>	<b>1,221,073</b>
Taxes on income	(90,508)	(50,017)	(25,410)	11,698	(288,887)
<b>Net profit for the period</b>	<b>695,466</b>	<b>313,802</b>	<b>195,355</b>	<b>15,774</b>	<b>932,186</b>
<b>Attributed to:</b>					
Parent company shareholders	695,468	313,805	195,355	15,775	932,189
<b>Non-controlling interest</b>	<b>(2)</b>	<b>(3)</b>	<b>-</b>	<b>(1)</b>	<b>(3)</b>
	<b>695,466</b>	<b>313,802</b>	<b>195,355</b>	<b>15,774</b>	<b>932,186</b>

## EXTENDED ADDITIONAL INFORMATION

THE COMPANY'S LIABILITIES (EXTENDED CONSOLIDATED) REPAYABLE AFTER SEPTEMBER 30 2022: STATEMENTS OF PROFIT OR LOSS (NIS IN THOUSANDS)

	Bonds	Bank loans	Other	Bank loans – consolidated companies	Total
<b>Current maturities</b>	582,792	65,305	2,643	29,070	679,810
Second year	582,792	-	-	10,359	593,151
Third year	494,795	-	-	63,888	558,683
Fourth year	743,713	-	-	76,492	820,205
Fifth year and thereafter	5,075,322	521,995	-	25,429	5,622,746
<b>Total repayments</b>	<b>7,479,414</b>	<b>587,300</b>	<b>2,643</b>	<b>205,238</b>	<b>8,274,595</b>
<b>Balance of bond premium and other</b>					<b>(161,143)</b>
<b>Total extended consolidated financial debt</b>					<b>8,113,452</b>

## APPENDIXES



### APPENDIX B

# CORPORATE GOVERNANCE ASPECTS

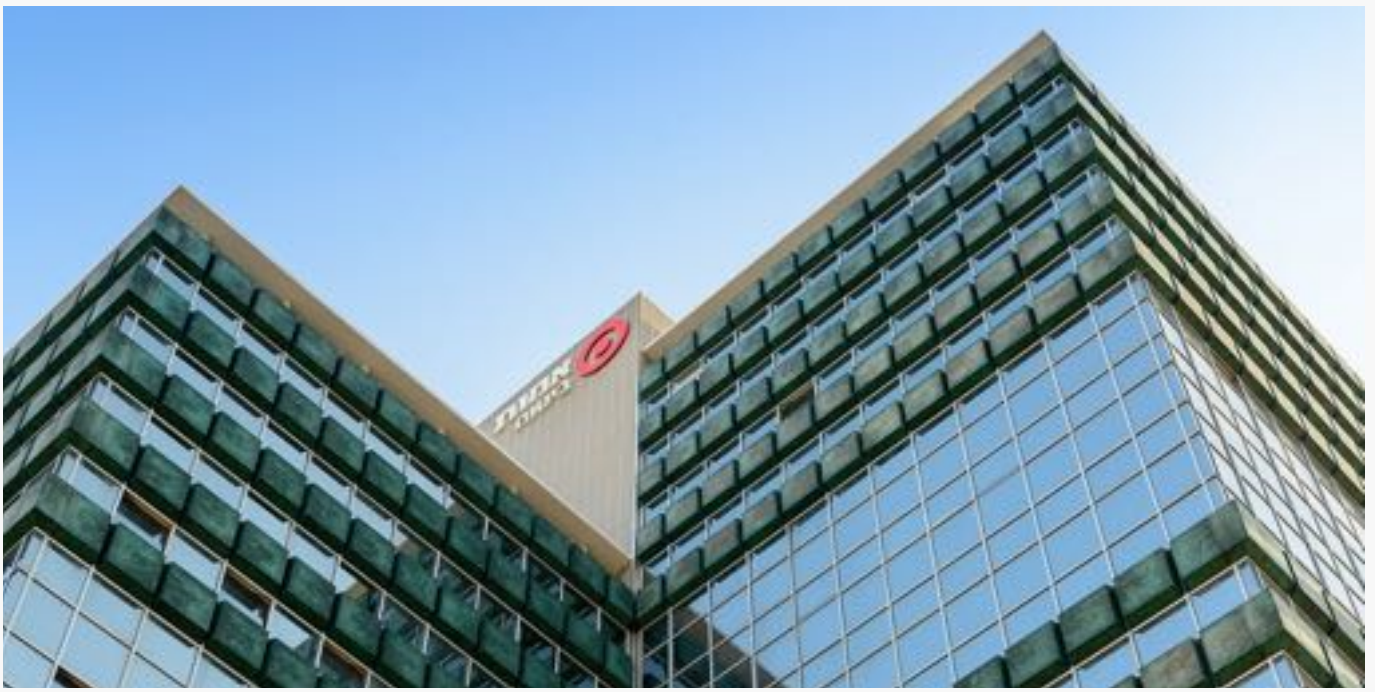
The company holds assets with a total value of approximately NIS 18 billion. Most of the company's assets are located in the centers of major cities in the center of Land and areas of demand.

# ASPECTS OF CORPORATE GOVERNANCE;

During the period of the report, there were no substantial changes in the corporate governance aspects of the company as detailed in the periodic report for 2021, which is included in this report by way of reference.

1. In regards of "Independent Director" means a director who meets the terms of eligibility to appoint an external director as prescribed by Section 240(B) to (F) of the Companies Law, and the Audit Committee has so approved, and who has not served as a director of the company for over nine consecutive years, and in this regard, termination of a term of office not exceeding two years will not be deemed to terminate the consecutive term of office.

## APPENDIXES



### APPENDIX C

# DISCLOSURE PROVISIONS IN CONNECTION WITH THE CORPORATION'S FINANCIAL REPORTING

The company holds assets with a total value of approximately NIS 18 billion. Most of the company's assets are located in the centers of major cities in the center of Land and areas of demand.

# CRITICAL ACCOUNTING ESTIMATES

When drawing up its financial statements, Company's management is required to use estimates or assessments as to transactions or matters, the final impact of which on the financial statements cannot be accurately determined at the time of preparation thereof. The main basis for determining the value of such estimates are the assumptions which Company's management decides to adopt, taking into account the circumstances which are the subject matter of the estimate and the best information available to the Company when preparing the financial statements.

By nature, since those estimates and assessments are a result of the Company's exercising judgment in an environment of uncertainty (sometimes highly significant uncertainty), any changes in the underlying assumptions as a result of changes that are not necessarily under management's control, may trigger changes in the value of the estimate and as a consequence impact the financial position of the Company and its results of operations. Therefore, despite the fact that those estimates or assessments are used to the best of management's judgment, the final impact of transactions or matters that require estimates can only be clarified when those transactions or matters are concluded. In some cases, the final results of the estimate may be very significantly different from the amount set to that estimate when it was used.

Set forth below are accounting estimates made by the Company in the preparation of the consolidated financial statements, which may have a very significant impact on the Company's financial position and results of operations:



## CHANGES IN THE FAIR VALUE OF INCOME-GENERATING REAL ESTATE

The Company determines the fair value of income-generating real estate assets in accordance with the provisions of IAS 40 and IFRS 13. When determining the fair value in the annual financial statements, Company's management relies on appraisals of independent and external appraisers. In its semi-annual financial statements, the Company relies on external appraisers' review of all of Company's assets. Quarterly changes (in the first and third quarters) are mainly appraised by an internal appraiser and by Company's management and during those quarters, the income-generating real estate assets are revalued only if there is a material change in the fair value of any of the Company's assets, or when there are indications for general changes in trends in the income-generating real estate sector.

When determining the fair value, the Company used, among other things, the discount rates used to discount the future cash flows, the rental period, the financial stability of the lessees, the scope of unoccupied spaces in the property, the terms of the rental agreements, the time it will take to rent out the buildings once they are vacated, the scope of vacant properties and the vacancy period thereof, the adjustment of the rent in over-rented properties or in under-rented properties, implications of investments required to develop and/or retain the existing condition of the properties and deduction of uncovered operating costs in cases where the properties are run by management companies with a deficit.

Changes in assumptions used by the above-mentioned external experts, in combination with changes in management's estimates, which are based on its past experience, may trigger changes in the amount of fair value carried to the statement of profit or loss, thereby impacting the Company's financial position and results of operations. Pursuant to IFRS 13 and to Accounting Enforcement Resolution 18-1 of the Securities Authority, the Company carried transaction costs incurred upon acquiring new properties to the statement of profit or loss.

## APPENDIXES



### APPENDIX D

# SPECIAL DISCLOSURE TO BOND HOLDERS: BONDS HELD BY THE PUBLIC

Amot Investments Ltd. is a leading Israeli real estate company, focused on the management, leasing, maintenance, initiation and development of yielding properties in Israel.

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

(In thousands)	Bonds (Series D)	Bonds (Series E)	Bonds (Series F)	Bonds (Series G)	Bonds (Series H)	Total
<b>Issuance date</b>	31.7.14	31.3.16	30.6.19	6.2.20	18.2.21	
<b>Linkage method</b>	Index linked	shekel	Index linked	shekel	Index linked	
<b>Par value at issuance date</b>	241,941	276,047	423,287	465,000	450,000	
<b>Par value as of 30.09.22</b>	1,649,616	868,170	2,362,983	914,814	1,250,000	<b>7,045,583</b>
<b>Linked par value as of 30.09.22</b>	1,759,938	868,170	2,488,925	914,814	1,339,017	<b>7,370,864</b>
<b>Value in financial statements as of 30.09.22</b>	1,815,504	874,759	2,444,506	893,485	1,369,474	<b>7,397,728</b>
<b>Value on the stock exchange as of 30.09.22</b>	1,855,323	884,318	2,351,404	784,362	1,200,875	<b>7,076,282</b>
<b>Interest accrued as of 30.09.22</b>	13,875	22,282	28,225	16,389	9,045	<b>89,816</b>
<b>Rate of fixed interest for the year</b>	3.20%	3.39%	1.14%	2.44%	0.92%	

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

To view an up-to-date rating report by Midroog Ltd., see the Company's immediate report of 24.03.2022 reference no. 2022-01-034678.

To view an up-to-date rating report by Maalot the Israel Securities Rating Co Ltd., see the Company's immediate report of 09.01.2022 reference no. 2022-01-004723. To view an up-to-date rating report by Maalot the Israel Securities Rating Co Ltd. regarding bond (series H), see the Company's immediate report of 19.10.2021 reference no. 2021-01-157680.

## SERIES D

The Series D bonds include conditions for immediate repayment thereof upon the occurrence of certain events, including, among other things, the following events:		
The covenant	The ratio as of date of financial statements	Status of compliance as of date of report
Change of control;	Alony Hetz - controlling shareholder of the Company	Compliant
The Company's equity is higher than NIS 1.2 billion;	8.4	Compliant
Net financial debt (net of value of investment property under construction) to annual normalized NOI ratio exceeds 14 during two consecutive quarters; (net financial debt: The Company's aggregate debt to banks, other financial institutions and bond holders, net of cash and cash equivalents, monetary reserves, marketable collaterals as recorded in the Company's consolidated balance sheet).	6.5	Compliant
The rating of the Series D bonds is BBB- (BBB minus) for two consecutive quarters;	Aa2/Stable	Compliant
Equity plus net deferred tax liability shall not be less than 22.5% of total balance sheet net of cash and cash equivalents and net of marketable collaterals during two consecutive quarters;	54%	Compliant
The value of the Company's unpledged assets shall not be less than the higher of NIS 1 billion or 125% of the outstanding balance of Series D bonds during two consecutive quarters.	The value of Company's unpledged assets is app. NIS 18 billion – higher than the outstanding balance	Compliant
Unremoved demand for immediate repayment of material loan or a bond listed on the Tel Aviv Stock Exchange.	There is no such demand	Compliant
Instructions pertaining to dividend distribution limit under certain circumstances;	There are no such circumstances	Compliant

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

## SERIES E

The Series E bonds includes conditions for immediate repayment thereof upon the occurrence of certain events, including, among other things, the following events:		
The covenant	The ratio as of date of financial statements	Status of compliance as of date of report
Change of control;	Alony Hetz - controlling shareholder of the Company	Compliant
The Company's equity is higher than NIS 1.2 billion;	8.4	Compliant
Net financial debt (net of value of investment property under construction) to annual normalized NOI ratio exceeds 14 during two consecutive quarters; (net financial debt: The Company's aggregate debt to banks, other financial institutions and bond holders, net of cash and cash equivalents, monetary reserves, marketable collaterals as recorded in the Company's consolidated balance sheet).	6.5	Compliant
The rating of the Series E bonds is BBB- (BBB minus) for two consecutive quarters;	Aa2/Stable	Compliant
Equity plus net deferred tax liability shall not be less than 22.5% of total balance sheet net of cash and cash equivalents and net of marketable collaterals during two consecutive quarters;	54%	Compliant
The value of the Company's unpledged assets shall not be less than the higher of NIS 1 billion or 125% of the outstanding balance of Series E bonds during two consecutive quarters.	The value of Company's unpledged assets is app. NIS 18 billion – higher than the outstanding balance	Compliant
Unremoved demand for immediate repayment of material loan or a bond listed on the Tel Aviv Stock Exchange.	There is no such demand	Compliant
Instructions pertaining to dividend distribution limit under certain circumstances;	There are no such circumstances	Complaint

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

## SERIES F

The Series F bonds includes conditions for immediate repayment thereof upon the occurrence of certain events, including, among other things, the following events:		
The covenant	The ratio as of date of financial statements	Status of compliance as of date of report
Change of control;	Alony Hetz - controlling shareholder of the Company	Compliant
The Company's equity is higher than NIS 2 billion;	8.4	Compliant
Net financial debt (net of value of investment property under construction) to annual normalized NOI ratio exceeds 14 during two consecutive quarters; (net financial debt: The Company's aggregate debt to banks, other financial institutions and bond holders, net of cash and cash equivalents, monetary reserves, marketable collaterals as recorded in the Company's consolidated balance sheet).	6.5	Compliant
The rating of the Series F bonds is BBB- (BBB minus) for two consecutive quarters;	Aa2/Stable	Compliant
Equity plus net deferred tax liability shall not be less than 22.5% of total balance sheet net of cash and cash equivalents and net of marketable collaterals during two consecutive quarters;	54%	Compliant
The value of the Company's unpledged assets shall not be less than the higher of NIS 1 billion or 125% of the outstanding balance of Series F bonds during two consecutive quarters.	The value of Company's unpledged assets is app. NIS 18 billion – higher than the outstanding balance	Compliant
Unremoved demand for immediate repayment of material loan or a bond listed on the Tel Aviv Stock Exchange.	There is no such demand	Compliant
Instructions pertaining to dividend distribution limit under certain circumstances;	There are no such circumstances	Complaint

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

## SERIES G

The Series G bonds includes conditions for immediate repayment thereof upon the occurrence of certain events, including, among other things, the following events:		
The covenant	The ratio as of date of financial statements	Status of compliance as of date of report
Change of control;	Alony Hetz - controlling shareholder of the Company	Compliant
The Company's equity is higher than NIS 2.2 billion;	8.4	Compliant
Net financial debt (net of value of investment property under construction) to annual normalized NOI ratio exceeds 14 during two consecutive quarters; (net financial debt: The Company's aggregate debt to banks, other financial institutions and bond holders, net of cash and cash equivalents, monetary reserves, marketable collaterals as recorded in the Company's consolidated balance sheet).	6.5	Compliant
The rating of the Series G bonds is BBB- (BBB minus) for two consecutive quarters;	Aa2/Stable	Compliant
Equity plus net deferred tax liability shall not be less than 22.5% of total balance sheet net of cash and cash equivalents and net of marketable collaterals during two consecutive quarters;	54%	Compliant
The value of the Company's unpledged assets shall not be less than the higher of NIS 1 billion or 125% of the outstanding balance of Series G bonds during two consecutive quarters.	The value of Company's unpledged assets is app. NIS 18 billion – higher than the outstanding balance	Compliant
Unremoved demand for immediate repayment of material loan or a bond listed on the Tel Aviv Stock Exchange.	There is no such demand	Compliant
Instructions pertaining to dividend distribution limit under certain circumstances;	There are no such circumstances	Complaint

## 4.1

# SET FORTH BELOW ARE DATA AS OF 30.09.2022 REGARDING BONDS ISSUED BY THE COMPANY

## SERIES H

The Series H bonds includes conditions for immediate repayment thereof upon the occurrence of certain events, including, among other things, the following events:		
The covenant	The ratio as of date of financial statements	Status of compliance as of date of report
Change of control;	Alony Hetz - controlling shareholder of the Company	Compliant
The Company's equity is higher than NIS 2.2 billion;	8.4	Compliant
Net financial debt (net of value of investment property under construction) to annual normalized NOI ratio exceeds 14 during two consecutive quarters; (net financial debt: The Company's aggregate debt to banks, other financial institutions and bond holders, net of cash and cash equivalents, monetary reserves, marketable collaterals as recorded in the Company's consolidated balance sheet).	6.5	Compliant
The rating of the Series H bonds is BBB- (BBB minus) for two consecutive quarters;	Aa2/Stable	Compliant
Equity plus net deferred tax liability shall not be less than 22.5% of total balance sheet net of cash and cash equivalents and net of marketable collaterals during two consecutive quarters;	54%	Compliant
The value of the Company's unpledged assets shall not be less than the higher of NIS 1 billion or 125% of the outstanding balance of Series H bonds during two consecutive quarters.	The value of Company's unpledged assets is app. NIS 18 billion – higher than the outstanding balance	Compliant
Unremoved demand for immediate repayment of material loan or a bond listed on the Tel Aviv Stock Exchange.	There is no such demand	Compliant
Instructions pertaining to dividend distribution limit under certain circumstances;	There are no such circumstances	Complaint

## APPENDIXES



## APPENDIX E

# LINKAGE BASES REPORT

Amot Investments Ltd. is a leading Israeli real estate company, focused on the management, leasing, maintenance, initiation and development of yielding properties in Israel.

## LINKAGE BASES REPORT AS PER IFRS 11 CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2022 (IN THOUSANDS OF NIS)

	Linked to the CPI	Unlinked	Non-financial assets (liabilities)	Total
	NIS in thousands	NIS in thousands	NIS in thousands	NIS in thousands
<b>Current assets</b>				
Cash and cash equivalents	-	88,074	-	88,074
Clients	-	24,876	-	24,876
Current tax assets, net	-	-	4,722	4,722
Debtors and mandatory balances	-	53,017	56,620	109,637
		<b>165,967</b>	<b>61,342</b>	<b>227,309</b>
Investments in companies accounted for by the equity method	-	18,942	382,249	401,191
Long-term receivables	-	11,995	19,624	31,619
<b>Total financial assets</b>	-	<b>196,904</b>	<b>463,215</b>	<b>660,119</b>
Investment property	-	-	17,763,270	17,763,270
Fixed assets, net	-	-	46,326	46,326
<b>Total non-financial assets</b>	-	-	<b>17,809,596</b>	<b>17,809,596</b>
<b>Total assets</b>	-	<b>196,904</b>	<b>18,272,811</b>	<b>18,469,715</b>
<b>Current liabilities</b>				
Credit from banks and current maturities	590,111	65,305	-	655,416
Trade payable	-	27,685	-	27,685
Current tax liabilities	-	-	24,536	24,536
Other payables	75,316	39,691	31,267	146,274
Payables in respect of investment property	-	46,967	-	46,967
<b>Total current liabilities</b>	<b>665,427</b>	<b>179,648</b>	<b>55,803</b>	<b>900,878</b>
<b>Non-current liabilities</b>				
Bonds	6,526,384	204,406	-	6,730,790
Loans from bank corporations	521,996	-	-	521,996
	<b>7,048,380</b>	<b>204,406</b>	-	<b>7,252,786</b>
<b>Total financial liabilities</b>	<b>7,713,807</b>	<b>384,054</b>	<b>55,803</b>	<b>8,153,664</b>
Deferred taxes	-	-	1,547,639	1,547,639
Provisions	-	-	16,483	16,483
Other	193,174	102,138	31,452	326,764
<b>Total non-financial liabilities</b>	<b>193,174</b>	<b>102,138</b>	<b>1,595,574</b>	<b>1,890,886</b>
<b>Total liabilities</b>	<b>7,906,981</b>	<b>486,192</b>	<b>1,651,377</b>	<b>10,044,550</b>
<b>Excess of financial liabilities over financial assets</b>	<b>(7,713,807)</b>	<b>(187,150)</b>	<b>407,412</b>	<b>(7,493,545)</b>

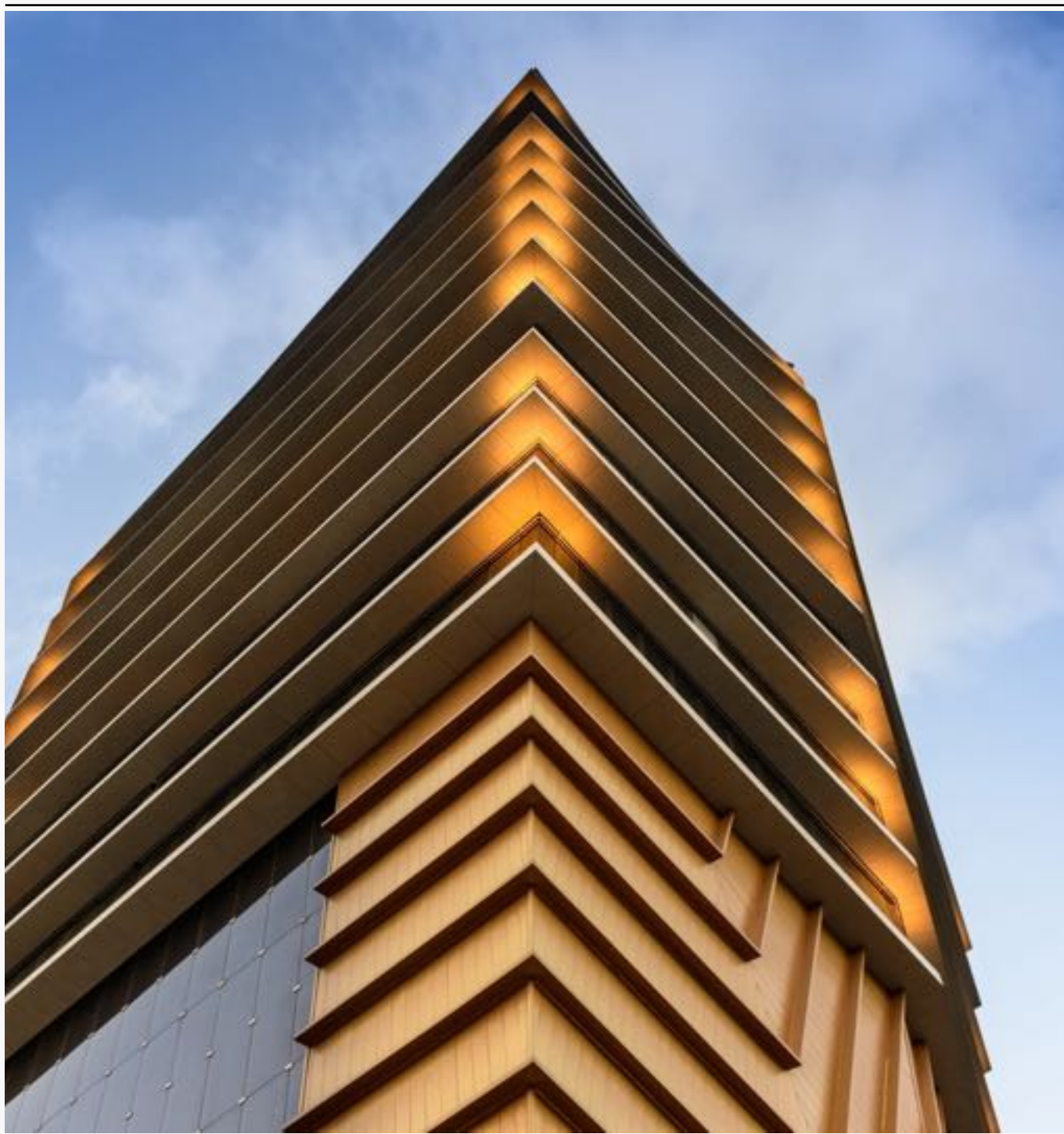
## APPENDIXES



## APPENDIX F

# SEPARATE FINANCIAL INFORMATION

Amot Investments Ltd. is a leading Israeli real estate company, focused on the management, leasing, maintenance, initiation and development of yielding properties in Israel.



# CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30.09.2022

Amot Investments Ltd. is a leading Israeli real estate company, operating as a subsidiary of Alony-Hetz Properties and Investments Ltd., which holds approximately 54% of its equity.

**Amot Investments Ltd.**

**Condensed Consolidated Interim Financial Statements  
For the Period Ended September 30, 2022**

**(Unaudited)**

**Amot Investments Ltd.**

**Condensed Consolidated Interim Financial Statements  
For the Period Ended September 30, 2022**

**(Unaudited)**

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English Translation solely for the convenience of the readers of the Hebrew language audit report and Hebrew language financial statements.

**Review Report for the third quarter**  
**A Review Report of the Auditor to the shareholders of**  
**Amot Investments Ltd.**

**Introduction**

We have reviewed the accompanying financial information of **Amot Investments Ltd. the Company and subsidiaries** (hereafter-*“the Company”*) which includes the condensed *consolidated* statement of financial position as of *September 30, 2022*, and the related condensed *consolidated* statements of *profit or loss and other comprehensive income*, changes in equity and cash flows for the periods of nine and three months ended on that date. The board of directors and management are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 “Interim Financial Reporting” and they are also responsible for the preparation of this interim financial information in accordance with Chapter D of Securities Regulations (Periodic and Immediate Reports) - 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the interim condensed financial information of companies that were consolidated, whose assets included in consolidation constitute approximately 23% of total consolidated assets as of September 30, 2022, and whose revenues included in consolidation constitute approximately 30% and 31% of total consolidated revenues for the periods of nine and three months ended on that date, respectively. Furthermore, we did not review the interim condensed financial information of certain affiliates presented on the equity method basis, the investment in which amounted to approximately 220,511 thousand NIS as of September 30, 2022, and the share of the results of which for the periods of nine and three months ended on that date, amounted to approximately 8,605 and 3,875 thousand NIS, respectively. The interim condensed financial information of those companies was reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the financial information included for those companies, is based on the review reports of the other auditors.

**Scope of Review**

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the abovementioned financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the statements in the previous paragraph, based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the abovementioned financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports) - 1970.

**Brightman Almagor Zohar & Co.**  
**Certified Public Accountants**  
**A Firm in the Deloitte Global Network**

**Tel Aviv, November 14, 2022.**

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**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Financial Position**

	<u>As of September 30</u>		<u>As of</u>
	<u>2022</u>	<u>2021</u>	<u>December 31</u>
	<u>Thousands of</u>	<u>Thousands of</u>	<u>2021</u>
	<u>NIS</u>	<u>NIS</u>	<u>Thousands of</u>
	<u>(Unaudited)</u>		<u>(Audited)</u>
<b><u>Current assets</u></b>			
Cash and cash equivalents	88,074	181,963	426,398
Trade receivables	24,876	26,839	22,386
Current tax assets, net	4,722	1,154	8,276
Other receivables and debit balances	109,637	327,206	54,035
Total current assets	<u>227,309</u>	<u>537,162</u>	<u>511,095</u>
<b><u>Non-current assets</u></b>			
Investment property	15,640,135	14,007,880	14,136,478
Investment property under construction and building rights	2,123,135	1,562,474	2,373,050
	<u>17,763,270</u>	<u>15,570,354</u>	<u>16,509,528</u>
Investment and loans in equity-accounted companies	401,191	487,898	486,566
Long term debit balances	31,619	24,399	22,695
Property, plant and equipment, net	46,326	36,981	45,365
Total non-current assets	<u>18,242,406</u>	<u>16,119,632</u>	<u>17,064,154</u>
Total assets	<u>18,469,715</u>	<u>16,656,794</u>	<u>17,575,249</u>
<b><u>Non-current liabilities</u></b>			
Credit from banking corporations, other credit providers and current maturities	655,416	1,231,507	552,900
Trade payables	27,685	28,982	21,354
Current tax liabilities, net	24,536	91,629	208,695
Other payables and credit balances	146,275	128,748	153,853
Receivables with respect to investment property	46,967	174,174	100,042
Total current liabilities	<u>900,879</u>	<u>1,655,040</u>	<u>1,036,844</u>
<b><u>Non-current liabilities</u></b>			
Bonds	6,730,790	5,863,079	6,694,298
Loans from banking corporations	521,996	530,008	499,978
Provisions	16,483	16,483	16,483
Others	326,764	181,759	254,637
Deferred tax liabilities	1,547,639	1,325,946	1,472,470
Total non-current liabilities	<u>9,143,672</u>	<u>7,917,275</u>	<u>8,937,866</u>
<b><u>Equity</u></b>			
Shareholders' equity	8,425,217	7,084,528	7,600,588
Non-controlling interests	(53)	(49)	(49)
Total equity	<u>8,425,164</u>	<u>7,084,479</u>	<u>7,600,539</u>
Total liabilities and equity	<u>18,469,715</u>	<u>16,656,794</u>	<u>17,575,249</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.  
November 14, 2022

Approval Date of the  
Financial Statements

Nathan Hetz  
Chairman of the Board

Shimon Abudraham  
CEO

Judith Zynger  
Deputy CEO and CFO

**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Income**

	For the nine month period ended		For the three month period ended		For the year ended December 31
	September 30		September 30		
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	<u>(Unaudited)</u>		<u>(Unaudited)</u>		<u>(Audited)</u>
Revenue from leasing and management of investment property	759,899	607,345	265,707	214,102	841,602
Property leasing and operation costs	<u>96,503</u>	<u>61,589</u>	<u>34,343</u>	<u>25,750</u>	<u>90,750</u>
Profit from property leasing and operation	663,396	545,756	231,364	188,352	750,852
Adjustment of the fair value - investment property	545,378	135,416	114,378	-	863,224
Adjustment of the fair value - reducing transaction costs	<u>(18,248)</u>	<u>(114,334)</u>	<u>(15,821)</u>	<u>(106,293)</u>	<u>(120,583)</u>
	1,190,526	566,838	329,921	82,059	1,493,493
General and administrative expenses	42,821	37,218	14,216	13,605	50,943
Donations	1,510	1,519	501	510	2,019
Other expenses (income), net	<u>149</u>	<u>2,011</u>	<u>60</u>	<u>1,555</u>	<u>1,847</u>
<b>Operating profit</b>	1,146,046	526,090	315,144	66,389	1,438,684
Financing income	7,236	7,318	912	2,222	8,812
Financing expenses	<u>(389,405)</u>	<u>(182,191)</u>	<u>(103,684)</u>	<u>(70,070)</u>	<u>(248,686)</u>
Financing expenses, net	(382,169)	(174,873)	(102,772)	(67,848)	(239,874)
Company's share in the profits of investee companies, net of tax	<u>18,749</u>	<u>10,523</u>	<u>7,292</u>	<u>4,612</u>	<u>18,112</u>
<b>Profit before taxes on income</b>	782,626	361,740	219,664	3,153	1,216,922
Tax on income	<u>(87,160)</u>	<u>(47,938)</u>	<u>(24,309)</u>	<u>12,621</u>	<u>(284,736)</u>
<b>Net profit for the period</b>	<u>695,466</u>	<u>313,802</u>	<u>195,355</u>	<u>15,774</u>	<u>932,186</u>
<b>Attributable to:</b>					
Owners of the company	695,470	313,805	195,357	15,775	932,189
Non-controlling interests	<u>(4)</u>	<u>(3)</u>	<u>(2)</u>	<u>(1)</u>	<u>(3)</u>
	<u>695,466</u>	<u>313,802</u>	<u>195,355</u>	<u>15,774</u>	<u>932,186</u>
<b>Earnings per share attributable to the Company's shareholders (in NIS):</b>					
<b>Basic</b>					
Total	<u>1.51</u>	<u>0.76</u>	<u>0.42</u>	<u>0.04</u>	<u>2.22</u>
<b>At full dilution</b>					
Total	<u>1.51</u>	<u>0.76</u>	<u>0.42</u>	<u>0.04</u>	<u>2.22</u>
<b>Weighted average of share capital which was used to calculate earnings per share (thousands of shares)</b>					
Basic	<u>461,280</u>	<u>412,106</u>	<u>469,757</u>	<u>414,684</u>	<u>419,750</u>
Fully diluted	<u>461,948</u>	<u>412,568</u>	<u>470,567</u>	<u>415,435</u>	<u>420,375</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Comprehensive Income**

	For the nine month period ended September 30		For the three month period ended September 30		For the year ended December 31
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	(Unaudited)		(Unaudited)		(Audited)
Net income for the period	695,466	313,802	195,355	15,774	932,186
<b>Attributable to:</b>					
Owners of the parent company	695,470	313,805	195,357	15,775	932,189
Non-controlling interests	(4)	(3)	(2)	(1)	(3)
	695,466	313,802	195,355	15,774	932,186

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Changes in Equity**  
(Unaudited)

	Share capital	Premium on shares	Receipts on account of Share options	Capital reserve with respect to share- based payment transactions and others	Retained earnings	Total attributable to shareholders of the Company	Non- controlling interests	Total equity
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
<b>Balance as of January 1, 2022</b>	483,112	4,332,426	12,331	10,991	2,761,728	7,600,588	(49)	7,600,539
Total comprehensive income for the period	-	-	-	-	695,470	695,470	(4)	695,466
Issue of share capital and options	25,270	578,685	6,790	-	-	610,745	-	610,745
Exercise of share options for employees, directors and officers	1,970	38,022	-	(4,433)	-	35,559	-	35,559
Crediting of benefit with respect to share options for employees and officers	-	-	-	4,284	-	4,284	-	4,284
Crediting of benefit with respect to share options for directors	-	-	-	507	-	507	-	507
Dividend announced and paid	-	-	-	-	(521,936)	(521,936)	-	(521,936)
<b>Balance as of September 30, 2022</b>	<u>510,352</u>	<u>4,949,133</u>	<u>19,121</u>	<u>11,349</u>	<u>2,935,262</u>	<u>8,425,217</u>	<u>(53)</u>	<u>8,425,164</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Changes in Equity**  
(Unaudited)

	Share capital	Premium on shares	Receipts on account of Share options	Capital reserve with respect to share- based payment transactions and others	Retained earnings	Total attributable to shareholders of the Company	Non- controlling interests	Total equity
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
<b>Balance as of January 1, 2021</b>	450,128	3,605,142	-	12,231	2,248,592	6,316,093	(46)	6,316,047
Total comprehensive income for the period	-	-	-	-	313,805	313,805	(3)	313,802
Issue of share capital and exercise of share options	29,900	672,817	12,331	-	-	715,048	-	715,048
Exercise of share options for employees, directors and officers	2,693	47,104	-	(5,418)	-	44,379	-	44,379
Crediting of benefit with respect to share options for employees and officers	-	-	-	3,455	-	3,455	-	3,455
Crediting of benefit with respect to share options for directors	-	-	-	246	-	246	-	246
Dividend announced and paid	-	-	-	-	(308,498)	(308,498)	-	(308,498)
<b>Balance as of September 30, 2021</b>	<u>482,721</u>	<u>4,325,063</u>	<u>12,331</u>	<u>10,514</u>	<u>2,253,899</u>	<u>7,084,528</u>	<u>(49)</u>	<u>7,084,479</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

	<u>Share capital</u>	<u>Premium on shares</u>	<u>Receipts on account of Share options</u>	<u>Capital reserve with respect to share-based payment transactions and others</u>	<u>Retained earnings</u>	<u>Total attributable to shareholders of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>
<b>Balance as of July 1, 2022</b>	510,191	4,945,371	19,121	10,264	2,866,759	8,351,706	(51)	8,351,655
Total comprehensive income for the period	-	-	-	-	195,357	195,357	(2)	195,355
Exercise of share options for employees, directors and officers	161	3,762	-	(467)	-	3,456	-	3,456
Crediting of benefit with respect to share options for employees, and officers	-	-	-	1,347	-	1,347	-	1,347
Crediting of benefit with respect to share options for directors	-	-	-	205	-	205	-	205
Dividend announced and paid	-	-	-	-	(126,854)	(126,854)	-	(126,854)
<b>Balance as of September 30, 2022</b>	<u>510,352</u>	<u>4,949,133</u>	<u>19,121</u>	<u>11,349</u>	<u>2,935,262</u>	<u>8,425,217</u>	<u>(53)</u>	<u>8,425,164</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

	Share capital	Premium on shares	Receipts on account of Share options	Capital reserve with respect to share-based payment transactions and others	Retained earnings	Total attributable to shareholders of the Company	Non- controlling interests	Total equity
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
<b>Balance as of July 1, 2021</b>	452,474	3,645,456	-	10,148	2,341,135	6,449,213	(48)	6,449,165
Total comprehensive income for the period	-	-	-	-	15,775	15,775	(1)	15,774
Issue of share capital and exercise of share options	29,900	672,817	12,331	-	-	715,048	-	715,048
Exercise of share options for employees, officers and directors	347	6,790	-	(756)	-	6,381	-	6,381
Crediting of benefit with respect to share options for employees and officers	-	-	-	1,032	-	1,032	-	1,032
Crediting of benefit with respect to share options for directors	-	-	-	90	-	90	-	90
Dividend announced and paid	-	-	-	-	(103,011)	(103,011)	-	(103,011)
<b>Balance as of September 30, 2021</b>	<u>482,721</u>	<u>4,325,063</u>	<u>12,331</u>	<u>10,514</u>	<u>2,253,899</u>	<u>7,084,528</u>	<u>(49)</u>	<u>7,084,479</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

**Amot Investments Ltd.**  
**Condensed Consolidated Statements of Changes in Equity**  
**(Audited)**

	<u>Share capital</u>	<u>Premium on shares</u>	<u>Receipts on account of Share options</u>	<u>Capital reserve with respect to share-based payment transactions and others</u>	<u>Retained earnings</u>	<u>Total attributable to shareholders of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>	<u>Thousands of NIS</u>
<b>Balance as of January 1, 2021</b>	450,128	3,605,142	-	12,231	2,248,592	6,316,093	(46)	6,316,047
Total comprehensive income for the period	-	-	-	-	932,189	932,189	(3)	932,186
Issue of share capital and share options	29,900	672,582	12,331	-	-	714,813	-	714,813
Exercise of share options for employees, officers and directors	3,084	54,702	-	(6,283)	-	51,503	-	51,503
Crediting of benefit with respect to share options for employees and officers	-	-	-	4,715	-	4,715	-	4,715
Crediting of benefit with respect to share options for directors	-	-	-	328	-	328	-	328
Dividend announced and paid	-	-	-	-	(419,053)	(419,053)	-	(419,053)
<b>Balance as of December 31, 2021</b>	<u>483,112</u>	<u>4,332,426</u>	<u>12,331</u>	<u>10,991</u>	<u>2,761,728</u>	<u>7,600,588</u>	<u>(49)</u>	<u>7,600,539</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

## Amot Investments Ltd.

### Condensed Consolidated Statements of Cash Flows

	For the nine month period ended		For the three month period ended		For the year ended December 31
	September 30		September 30		
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	<u>(Unaudited)</u>		<u>(Unaudited)</u>		<u>(Audited)</u>
<b><u>Cash flows - operating activities</u></b>					
Net income for the period	695,466	313,802	195,355	15,774	932,186
Adjustments required to present cash flows from operating activities (Annex A)	<u>(326,864)</u>	<u>103,956</u>	<u>(52,460)</u>	<u>96,958</u>	<u>(337,131)</u>
<b>Net cash - operating activities</b>	<u>368,602</u>	<u>417,758</u>	<u>142,895</u>	<u>112,732</u>	<u>595,055</u>
<b><u>Cash flows - investing activities</u></b>					
Investments in investment property, investment property under construction and building rights	(846,240)	(2,329,302)	(481,396)	(2,142,027)	(2,299,020)
Investments in equity-accounted company	-	(41,768)	-	-	(41,768)
Repayment of loans from equity-accounted companies (see note 4H)	111,986	3,600	400	888	6,981
Return from exercise (investment) Securities measured at fair value through profit or loss	-	50,547	-	-	50,547
Others, net	<u>(2,818)</u>	<u>(1,979)</u>	<u>(512)</u>	<u>(938)</u>	<u>(2,347)</u>
<b>Net cash - investing activities</b>	<u>(737,072)</u>	<u>(2,318,902)</u>	<u>(481,508)</u>	<u>(2,142,077)</u>	<u>(2,285,607)</u>
<b><u>Cash flows - financing activities</u></b>					
Receiving long term loans from banking corporations	-	530,000	-	530,000	1,029,000
Repayment of long-term loans from banking corporations	-	-	-	-	(530,000)
Dividend paid	(521,936)	(308,498)	(126,854)	(103,011)	(419,053)
Issuance of shares and exercise of warrants into shares less issuance expenses	610,745	715,048	-	715,048	714,813
Issuance of bonds, net	396,182	447,889	-	-	1,304,931
Exercise of share options for employees, directors and officers	35,559	41,901	3,456	3,903	47,289
Repayment of long term bonds	(555,083)	(533,612)	(439,313)	(421,823)	(535,085)
Short term credit from banking corporations, net and others	<u>64,680</u>	<u>588,615</u>	<u>66,519</u>	<u>690,152</u>	<u>(96,709)</u>
<b>Net cash - financing activities</b>	<u>30,147</u>	<u>1,481,343</u>	<u>(496,192)</u>	<u>1,414,269</u>	<u>1,515,186</u>
<b>Increase (decrease) in cash and cash equivalents</b>	(338,324)	(419,801)	(834,805)	(615,075)	(175,366)
<b>Balance of cash and cash equivalents at beginning of period</b>	<u>426,398</u>	<u>601,764</u>	<u>922,879</u>	<u>797,039</u>	<u>601,764</u>
<b>Balance of cash and cash equivalents at end of period</b>	<u>88,074</u>	<u>181,963</u>	<u>88,074</u>	<u>181,963</u>	<u>426,398</u>

The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.

**Amot Investments Ltd.**

**Appendix A to the Condensed Consolidated Statements of Cash Flows**

	For the nine month period ended		For the three month period ended		For the year ended
	September 30		September 30		December 31
	2022	2021	2022	2021	2021
	<u>(Unaudited)</u>		<u>(Unaudited)</u>		<u>(Audited)</u>
<b>A. <u>Adjustments required to present cash flows from operating activities</u></b>					
<b>Expenses (income) not involving cash flows:</b>					
Fair value adjustment of investment property, net	(545,378)	(135,416)	(114,378)	-	(863,224)
Fair value adjustment - Reducing transaction costs	18,248	114,334	15,821	106,293	120,583
Company's share in losses (earnings) of equity-accounted companies	(18,749)	(10,523)	(7,292)	(4,612)	(18,112)
Revaluation of loans from equity-accounted companies	(2,227)	(2,992)	(231)	(1,220)	(3,131)
Dividends received from equity-accounted companies	1,750	1,250	-	-	5,250
Revaluation of bonds and amortization of premium	295,486	86,906	85,219	50,426	94,688
Index differences with respect to long term liabilities	22,017	-	6,369	-	-
Crediting of benefit with respect to share-based payment transactions	4,791	3,701	1,552	1,122	5,043
Deferred taxes, net	75,169	25,647	19,937	(19,136)	255,341
Others, net	4,533	2,841	1,326	1,234	7,721
	<u>(144,360)</u>	<u>85,748</u>	<u>8,323</u>	<u>134,107</u>	<u>(395,841)</u>
<b>Changes to asset and liability items:</b>					
Decrease (increase) in trade receivables	(2,490)	5,131	(3,082)	(1,023)	9,584
Decrease (increase) in other receivables and debit balances	5,151	3,352	(6,954)	(2,662)	(8,778)
Decrease (increase) in long term other receivables and debit balances	(545)	7,624	(2,783)	1,159	9,188
Increase (decrease) in trade payables	6,595	15,725	(964)	15,952	3,001
Increase (decrease) in liabilities for employee severance benefits	1,492	(17)	-	-	(582)
Increase (decrease) in other payables and credit balances	(192,707)	(13,607)	(47,000)	(50,575)	46,297
	<u>(182,504)</u>	<u>18,208</u>	<u>(60,783)</u>	<u>(37,149)</u>	<u>58,710</u>
	<u>(326,864)</u>	<u>103,956</u>	<u>(52,460)</u>	<u>96,958</u>	<u>(337,131)</u>
<b>B. <u>Non-cash transactions</u></b>					
Investments in investment property against payables and other credit balances	9,249	118,567	9,249	118,567	50,202
Exercise of options for employees against receivables	-	2,478	-	2,478	4,214
Dividends have not yet been received from companies treated according to the equity accounted method	-	-	-	-	1,750
<b>C. <u>Additional information</u></b>					
Interest paid	149,882	133,178	77,476	94,154	158,203
Interest received	7,872	2,486	494	767	8,284
Taxes paid (*)	172,449	38,766	3,235	5,343	40,394
Taxes received	2,831	19,258	-	-	19,258
Dividend received	1,750	1,250	-	-	5,250

(\*) Taxes paid in the nine-month period ended on September 30<sup>st</sup>, 2022 include taxes paid in respect of the Company's assessment agreement (for more details, see Note 17H1 in the Company's consolidated annual financial statements for 2021).

Taxes paid in the year 2021 include taxes paid in respect of an assessment agreement in subsidiaries (for more details, see Note 17H2 in the Company's consolidated annual financial statements for 2021).

**The accompanying notes to the condensed consolidated interim financial statements are an integral part thereof.**

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 1** - **General**

These condensed consolidated financial statements were prepared as of September 30, 2022 and for nine and three months period then ended (hereinafter: the “Consolidated Interim Financial Statements”). These financial statements should be reviewed in the context of the Company’s annual financial statements as of December 31, 2021, and for the year then ended, as well as the accompanying notes (hereinafter: the “Consolidated Annual Financial Statements”).

**Note 2** - **Significant Accounting Policies**

- A. The interim financial statements have been drawn up pursuant to generally accepted accounting principles for the drawing up of interim financial statements as laid down in International Financial Reporting Standard IAS 34, Interim Period Financial Reporting and pursuant to Chapter 4 of the Securities Regulations (Periodic and Immediate Reports), 5730 - 1970.
- B. The Group determines the fair value of revenue producing real estate in accordance with the provisions of International Standard Nos. IFRS 40 and 13. In determining the fair value in the annual financial statements, the Company's management relies upon independent evaluations by independent external assessors. In the semi-annual reports, the Company relies upon professional external assessors who conduct an overview of all the Company’s properties. In the first and third quarters, the Company’s management team relies upon no change letters from external assessors and in these quarters, the revenue producing real estate is reassessed only if there is a significant change.
- C. Exchange Rates and Linkage Base:
- Foreign currency reserves, or those linked to such, are included in the financial statements according to the representative exchange rates published by the Bank of Israel and were valid until the end of the reporting period.
  - Reserves linked to the Consumer Price Index are presented in accordance with the last known index at the end of the reporting period (the Index of the month preceding the month of the date of the financial statement) or in accordance with the index for the last month of the reporting period (the Index of the month of the date of the financial statement), in accordance with the terms of the transaction.

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 2 - Significant Accounting Policies (Cont.)**

C. Exchange Rates and Linkage Base (Cont.):

**Following are details on the increase (decrease) of the consumer price index and changes in the exchange rate of the dollar below against the NIS:**

	Representative exchange rate of the USD	Index in Israel	
		Known index	Index in lieu
		Points	Points
<b>Date of the financial statements</b>			
As of September 30, 2022	3.543	141.936	142.202
As of September 30, 2021	3.229	135.690	135.956
As of December 31, 2021	3.110	135.956	136.354
<b>Rates of change:</b>	<b>%</b>	<b>%</b>	<b>%</b>
For the nine-month period ended September 30,2022	13.92	4.40	4.29
For the nine-month period ended September 30,2021	0.44	2.20	2.50
For the three-month period ended September 30,2022	1.23	1.23	1.04
For the three-month period ended September 30,2021	(0.95)	0.79	0.89
For the year ended December 31, 2021	(3.27)	2.40	2.81

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 3 - Financial Instruments Not Measured at Fair Value**

- A. Except as specified in the following table, the Company believes that the carrying amount of the financial assets and liabilities which are presented at amortized cost in the financial statements is nearly identical to their fair value:

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
	<u>As of September 30, 2022</u>		<u>As of September 30, 2021</u>		<u>As of December 31, 2021</u>	
	<u>Thousands of NIS</u>		<u>Thousands of NIS</u>		<u>Thousands of NIS</u>	
<b>Financial liabilities</b>						
Long term loans at fixed interest (including current maturities)	521,995	452,987	-	-	499,978	499,978
bonds (including current maturities and hedging transactions)	<u>7,510,672</u>	<u>7,273,322</u>	<u>6,510,734</u>	<u>7,149,202</u>	<u>7,374,086</u>	<u>8,162,767</u>
	<u>8,032,667</u>	<u>7,726,309</u>	<u>6,510,734</u>	<u>7,149,202</u>	<u>7,874,064</u>	<u>8,662,745</u>

**B. Fair value levels**

The fair value of the bonds is calculated according to level 1 (quoted prices in an active market), see definition in Note 26 to the Company's consolidated annual financial statements.

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 4 - Additional Information and Events During the Period and After the Date of the Statement of Financial Position**

**A. Coronavirus crisis update – Fair value of the company properties**

In early 2020, the Coronavirus pandemic, which was declared a global pandemic by the World Health Organization, began to spread around the world. During the first quarter of 2022, following the administration of a booster shot to a significant part of the population, there was a significant decrease in infections as the fourth wave declined, and in parallel, the obligation to present the green badge was canceled, and routine activity was resumed.

In relation to its shopping centers (except in connection with essential businesses such as supermarkets, pharmacies, clinics and banks), the Company formulated a stepped relief plan for rent and management fees payments during the year 2020 and the first quarter of 2021, for the periods when the shopping centers were closed, it did not charge rent and also given certain discounts on the management fees (all subject to a reduction in the relief amounts for each tenant who would be entitled to grants from the state according to the Government assistance plan). The scope of the stated relief, mainly for the tenants of the shopping centers during 2021 amounts to NIS 20 million (For the months of closure, January and February 2021).

**B. Cargal Logistic Center**

On March 3, 2022, the Company engaged (through a wholly owned subsidiary) in an agreement with Cargal Ltd. (hereinafter: "Cargal") which involved the conclusion, on March 3, 2022, of the lease agreement between the parties (which was originally scheduled to conclude only on May 31, 2032) by virtue of which Cargal leased from the Company land with a total area of approximately 106 dunams in Lod, on which several logistics buildings are built, which are leased to several sublessees for extended periods (hereinafter: the "Complex" and the "Sublessees").

Following the engagement in the agreement, the Company received all the rights to the complex, including the legal possession thereof, and all the rights and obligations in accordance with the lease agreements vis-à-vis the sublessees were assigned to it, in consideration of payment of NIS 51.3 million (plus duly calculated VAT). Due to its designation, size and strategic location, the complex represents additional significant potential development for the Company in the logistics segment.

**C. Issuance of share capital**

In January 2022, the Company issued 11.6 million shares by way of a private allocation NIS 1 par value each. The gross consideration which was received with respect to the issuance amounted to a total of approximately NIS 301 million to several institutional investors, three of whom belong to the reporting groups Clal Insurance Business Holdings Ltd., Harel Insurance Investments and Financial Services Ltd. and Migdal Insurance Holdings and Finance Ltd. who have an interest in the company by virtue of their holdings in the company's shares are transferred to a private placement.

In May 2022 the Company issued 13.7 million shares and 13.7 million shares options (Series 11) can be exercised until December 22. The net proceeds received for the offering amounted to a total of 310 million NIS.

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 4 - Additional Information and Events During the Period and After the Date of the Statement of Financial Position (Cont.)**

**D. Declared dividend**

In March 2022, the Company's Board of Directors determined that the Company intends, in 2022, to distribute minimum annual dividends in the amount of 106 agorot per share, to be paid in 4 quarterly payments - in the first and second quarters of 2022 in the amount of 26 agorot per share, and in both the third and fourth quarters of 2022 in the amount of 27 agorot per quarter, subject to a specific resolution of the Board of Directors at the end of each quarter.

Further to this policy, the Company declared, in March, May and August of 2022, on distribution of a dividend for the first, second and third quarter of 2022 in the amount of 79 agorot per share (NIS 367 million). In addition, in March 2022 the Company declared on distribution of additional dividend of 34 agorot per share (NIS 155 million) in respect of 2021. The total dividends paid in respect of the reporting period amount to NIS 552 million.

In November, after the balance sheet date, the Company declared that she would distribute dividend for fourth quarter of 2022, in the amount of 27 agorot per share (NIS 127 million), to be paid over the course of December 2022.

**E. Warrant allocation plan for senior position holders**

On March 7th, 2022, the Company's Board of Directors (after approval by the Remuneration Committee for Offerees who are Officer Bearers) decided to approve the allocation of an annual portion of the Master Program in the amount of 1,450,000 options, to 100 offerees, including 12 Officer Bearers (including the Company's CEO and 6 Directors). Regarding the parameters that were used in calculating the benefit inherent in the options, see Note 19 (f) to the Company's annual financial statements.

**F. Management agreement with the parent company**

Following the provision of Note 25C1 of the Company's consolidated annual financial statements for the year 2021, the general meeting, in its session of April 12, 2022, approved the extension of effect of the management agreement with the Parent Company for an additional term of 3 years starting on January 1, 2022 and until December 31, 2024, while also updating the annual management fees and setting them at a fixed amount of NIS 10.3 million per year (linked to the index for the month of December 2021), and if the Company's annual FFO return is lower than 6%, the management fees for that year will be reduced by an amount of NIS 600 thousand. The management fees will be linked to the Consumer Price Index for December 2021 but no lower than the base index and will be paid in four quarterly installments. It is clarified that the scope of the services being provided to the Company is determined according to the Company's varying needs from time to time, and with no hour limit (whether minimum or maximum). In this context, it should be noted that the Parent Company undertakes to provide the Company with the full inputs required for the provision of the management services, according to the Company's demand (hereinafter: the "Extended Management Agreement").

If during the Extended Management Agreement's term there will be a material reduction of the scope of position invested by Alony Hetz's officers, at a rate exceeding 25% in aggregate per year of operation (in relation to the estimated scope of position being invested by the officers as aforesaid in the provision of the management services on the eve of the Extended Management Agreement's approval), as the Audit Committee will consider once a year, the Company will have the right to revoke the Extended Management Agreement. A resolution regarding the agreement's revocation will be adopted at the Audit Committee and the Company's board of directors.

Furthermore, according to the Extended Management Agreement and as has been the case thus far, Alony Hetz may terminate it at any time by written notice of 120 days in advance. Additionally, as has been the case so far, either party may terminate it by advance written notice of 60 days to the other if Alony Hetz ceases to be the Company's controlling shareholder.

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 4 - Additional Information and Events During the Period and After the Date of the Statement of Financial Position (Cont.)**

**G. Amot Campus Holon**

In early 2022, construction was completed of an office tower comprising 60 thousand sqm gross aboveground for marketing and a 5-floor underground parking lot (the Company's part is 77.8%). The tower is currently in initial occupancy stages. Considering the aforesaid, in the first quarter of 2022 the Company reclassified the office tower from real estate under construction to real estate for investment, in an amount of NIS 470 million. As of the date of the statement, contracts at a scope of approximately 14,800 sqm have been signed and are expected to yield approximately NIS 15.1 million per year (the Company's part is 77.8%).

**H. Loan to an equity-accounted company**

In April 2022, a company treated in the equity-accounted method repaid a loan to the Company in the amount of approximately NIS 110 million.

**I. Derech HaShalom 15**

In early May 2022, the Company won a public tender of the Tel Aviv Municipality for the (as-is) purchase of the full rights of lease (49 years with an option to extend by an additional 49 years) in an amount of approximately NIS 261 million. In August, 2022, the company received formal notice that it had won the tender and the consideration was fully paid.

The complex, sized approximately 3200 sqm, is designated for employment, residence and commerce, and is located on Derech HaShalom St. in Tel Aviv, near the TOHA project. The complex has an approved urban construction plan for the construction of 15,845 sqm gross aboveground, of which 4,754 sqm gross aboveground are designated for employment, 1,584 sqm gross aboveground for commerce and 9,507 sqm gross aboveground for residence for 94 housing units, as well as underground service areas in an identical total area.

**J. Series F and Series G bond raising**

In May 2022 the Company issued, through a series expansion, Series F bonds in the sum of 294 million NIS per value in return for a net total of 298 million NIS. The bonds bear an effective CPI-linked interest rate of 1.65% and have an expected duration of 5.6 years.

In addition, the Company issued, through a series expansion, Series G bonds in the sum of 115 million NIS per value in return for a net total of 102 million NIS. The bonds bear an effective NIS interest rate of 4.35% and have an expected duration of 7.3 years.

Following the issue of the bonds (Series G), the Company conducted a hedging agreement with an Israeli financial institution, which converted a yearly NIS interest rate of 2.44% to a CPI-linked principal and a linked interest rate of 0.2%, with a total principal of 110 million NIS.

**K. Beit Shemesh Logistics Center**

In June 2022 the Company and its partner in the property signed a rental agreement for the property with "Logisticare" (hereinafter: "the Tenant") with an area of 24,500 sqm for a period of 10 years, with an option for 5 additional years. The Company purchased 60% of the lot in June 2021 with an area of 40 dunams to build a logistical center. The Company is working on Town Construction Plan for increasing the construction areas on the lot, to an amount of 50,000 sqm.

**Amot Investments Ltd.**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Period Ended September 30, 2022**  
**(Unaudited)**

**Note 4 - Additional Information and Events During the Period and After the Date of the Statement of Financial Position (Cont.)**

**L. Beit Havered Givatayim**

During the second quarter of 2022, the property began to generate income and the company classified the office structure from real estate under construction to real estate for investment.

**M. ToHa2 project in Tel Aviv - Negotiations Regarding Lease Transaction**

On November 9, 2022, after the balance sheet date, as part of the transaction of the Company and of Gav-Yam Bayside Land Corporation Ltd., the joint owners of the interests in the ToHa2 project (the "Project"), the parties engaged in a detailed letter of intent with an unrelated third party (hereinafter: the "Letter of Intent") according to which, during the coming months, the parties will work together and in good faith towards engaging in a long-term and binding lease agreement in accordance with the principles specified in the letter of intent, which will be subject to the approval of the boards of directors / competent organs of all of the parties. The binding lease agreement, insofar as it will be signed, will apply to the lease of an area of approximately 55 thousand square meters, plus several hundred parking spaces (with an option to increase the area of the leased property by another approximately 20 thousand square meters), for a period of 10 years, beginning on January 2027, after the completion of the project's construction, in exchange for rent, on a core and shell basis, in the amount of approximately NIS 105 million per year (the Company's share - 50%).

It is hereby clarified that the Company's estimates regarding the signing of a binding lease agreement, as stated above, and the timetable for the construction of the project, constitute forward looking information, as defined in the Securities Law, 5728-1968.



# SEPARATE FINANCIAL INFORMATION

AS OF 30.09.2022

Amot Investments Ltd. is a leading Israeli real estate company, operating as a subsidiary of Alony-Hetz Properties and Investments Ltd., which holds approximately 54% of its equity.

**Amot Investments Ltd.**

**Separate Financial Statements  
As of September 30, 2022**

**(Unaudited)**

**Amot Investments Ltd.**

**Separate Interim Financial Information**  
**For the Period Ended September 30, 2022**

**(Unaudited)**

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**English Translation solely for the convenience of the readers of the Hebrew language review report and Hebrew language financial statements.**

To  
**The Shareholders of  
Amot Investments Ltd.**  
2 Jabotinsty St.  
Ramat Gan

Dear Sir/Madam,

**Re: Auditor's special report for review the separate interim financial information pursuant to Regulation 38-D of the Securities Regulations (Periodic and Immediate Reports), 1970**

**Introduction**

We have reviewed the separate interim financial information that was prepared in accordance with regulation 38-D of the Securities Regulations (Periodic and Immediate reports), 1970 of *Amot Investments Ltd.* ("the Company") as of *September 30, 2022*, and for the nine and three months period then ended. The board of directors and management are responsible for the preparation and presentation of this separate interim financial information in accordance with regulation 38-D of the Securities Regulations (Periodic and Immediate reports), 1970. Our responsibility is to express a conclusion on this separate interim financial information based on our review.

We did not review the separate interim financial information included in the financial information of associates, that the investment in them is amounted to approximately 2,085,195 thousand NIS as of September 30, 2022, and the share of the company in their results for the periods of nine and three months ended on that date, is amounted to approximately 237,014 and 86,192 thousand NIS, respectively. The financial information of those companies was reviewed by other auditors whose review reports have been furnished to us and our conclusion, insofar as it relates to the financial information for those companies, is based on the review reports of the other auditors.

**Scope of Review**

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of separate interim financial information consists of making inquiries, primarily with personnel responsible for financial and accounting matters, and of applying analytical and other review procedures. A review is substantially less than the scope of an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the abovementioned separate interim financial information is not prepared, in all material respects, in accordance with the requirements of regulation 38-D of the Securities Regulations (Periodic and Immediate reports), 1970.

**Brightman Almagor Zohar & Co.**  
**Certified Public Accountants**  
**A Firm in the Deloitte Global Network**

**Tel Aviv, November 14, 2022.**

**Tel Aviv - Main Office**

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**Amot Investments Ltd.**  
**Data Regarding Financial Position**

	<u>As of September 30</u>		<u>As of</u>
	<u>2022</u>	<u>2021</u>	<u>December 31</u>
	<u>Thousands of</u>	<u>Thousands of</u>	<u>Thousands of</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
	<u>(Unaudited)</u>		<u>(Audited)</u>
<b><u>Current assets</u></b>			
Cash and cash equivalents	21,202	138,007	383,369
Trade receivables	7,487	11,309	9,595
Other receivables and debit balances	177,290	352,514	59,872
Total current assets	<u>205,979</u>	<u>501,830</u>	<u>452,836</u>
<b><u>Non-current assets</u></b>			
Investment property	10,395,416	9,502,998	9,485,596
Investment property under construction and building rights	2,034,165	1,337,877	2,026,680
	<u>12,429,581</u>	<u>10,840,875</u>	<u>11,512,276</u>
Loans, bonds and capital notes to investees	2,325,083	2,316,484	2,284,372
Investment in investees	3,005,158	2,585,055	2,722,947
Long term debit balances	26,915	21,882	20,570
Property, plant and equipment, net	45,448	35,960	44,374
Total non-current assets	<u>17,832,185</u>	<u>15,800,256</u>	<u>16,584,539</u>
Total assets	<u>18,038,164</u>	<u>16,302,086</u>	<u>17,037,375</u>
<b><u>Current liabilities</u></b>			
Credit from banking corporations and other credit providers	655,411	1,231,391	552,900
Trade payables	9,200	5,414	8,295
Current tax liabilities, net	15,525	74,077	196,507
Other payables and credit balances	311,873	301,312	172,540
Receivables with respect to investment property	45,035	171,891	101,874
Total current liabilities	<u>1,037,044</u>	<u>1,784,085</u>	<u>1,032,116</u>
<b><u>Non-current liabilities</u></b>			
Bonds	6,730,790	5,863,079	6,694,298
Loans from banking corporations and others	521,995	530,008	499,978
Provisions	16,483	16,483	16,483
Investments in investees	9,418	5,983	6,344
Others	309,340	163,778	236,927
Deferred taxes, net	987,877	854,142	950,641
Total non-current liabilities	<u>8,575,903</u>	<u>7,433,473</u>	<u>8,404,671</u>
<b><u>Equity</u></b>	<u>8,425,217</u>	<u>7,084,528</u>	<u>7,600,588</u>
Total liabilities and equity	<u>18,038,164</u>	<u>16,302,086</u>	<u>17,037,375</u>

**November 14, 2022**

**Approval Date of the Separate  
Financial Statements**

**Nathan Hetz  
Chairman of the  
Board**

**Shimon  
Abudraham  
CEO**

**Judith Zynger  
Deputy CEO  
and CFO**

**Amot Investments Ltd.**  
**Data Regarding Income**

	For the nine month period ended		For the three month period ended		For the year ended
	September 30		September 30		December 31
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	(Unaudited)		(Unaudited)		(Audited)
Revenue from leasing and management of investment property	447,018	356,261	155,299	120,655	493,948
Property leasing and operation costs	28,633	19,631	8,587	6,365	28,174
Profit from property leasing and operation	418,385	336,630	146,712	114,290	465,774
Adjustment of the fair value - investment property	363,747	91,254	98,726	-	555,389
Adjustment of the fair value - reducing transaction costs	(18,248)	(114,334)	(15,821)	(104,885)	(120,538)
	763,884	313,550	229,617	9,405	900,625
General and administrative expenses	34,437	29,166	11,485	10,895	40,483
Donations	1,500	1,500	500	500	2,000
Other income, net	(846)	(1,034)	(486)	(328)	(1,264)
<b>Operating profit</b>	728,793	283,918	218,118	(1,662)	859,406
Financing income	115,997	45,977	34,182	15,881	208,589
Financing expenses	(391,136)	(186,447)	(105,582)	(72,378)	(253,264)
<b>Operating profit after financing</b>	453,654	143,448	146,718	(58,159)	814,731
Company's share in the profits of investees, net of tax	279,111	180,790	63,054	51,850	324,253
<b>Profit before taxes on income</b>	732,765	324,238	209,772	(6,309)	1,138,984
Taxes on income	37,295	10,433	14,415	(22,084)	206,795
<b>Net profit for the period</b>	695,470	313,805	195,357	15,775	932,189

Amot Investments Ltd.  
**Data Regarding Comprehensive Income**

	For the nine month period ended		For the three month period ended		For the year ended
	September 30		September 30		December 31
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	(Unaudited)		(Unaudited)		(Audited)
Net income for the period	695,470	313,805	195,357	15,775	932,189
<b>Amounts which will be classified in the future under the statement of income, net of tax:</b>			-	-	
Adjustments due to the translation of financial statements of foreign operations	-	-	-	-	-
<b>Total comprehensive income</b>	<b>695,470</b>	<b>313,805</b>	<b>195,357</b>	<b>15,775</b>	<b>932,189</b>

**Amot Investments Ltd.**  
**Data Regarding Cash Flows**

	For the nine month period ended		For the three month period ended		For the year ended
	September 30		September 30		December 31
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	(Unaudited)		(Unaudited)		(Audited)
<b><u>Cash flows - operating activities</u></b>					
Net income for the period	695,470	313,805	195,357	15,775	932,189
Adjustments required to present cash flows from operating activities (Annex A)	(546,671)	(75,366)	(124,404)	5,038	(428,566)
<b>Net cash - operating activities</b>	148,799	238,439	70,953	20,813	503,623
<b><u>Cash flows - investing activities</u></b>					
Investments in investment property, investment property under construction and building rights	(695,199)	(2,288,475)	(455,612)	(2,110,621)	(2,249,933)
Collection (granting) of loans from investees, net	156,703	127,974	69,875	53,320	35,741
Return from exercise Securities measured at fair value through profit or loss	-	50,547	-	-	50,547
Investments in equity-accounted company	-	(41,768)	-	-	(41,768)
Others, net	(2,812)	(1,944)	(510)	(909)	(2,234)
<b>Net cash - investing activities</b>	(541,308)	(2,153,666)	(386,247)	(2,058,210)	(2,207,647)
<b><u>Cash flows - financing activities</u></b>					
Dividend paid	(521,936)	(308,498)	(126,854)	(103,011)	(419,053)
Issuance of shares and share options, after deducting issuance costs	610,745	715,048	-	715,048	714,813
Issuance of bonds, net	396,182	447,889	-	-	1,304,931
Exercise of share options for employees, directors and officers	35,559	41,901	3,456	3,903	47,289
Receiving long term loans from banking corporations	-	530,000	-	530,000	1,029,000
Repayment of long term loans from banking corporations	-	-	-	-	(530,000)
Repayment of long term bonds	(555,083)	(533,612)	(439,313)	(421,823)	(535,085)
Short term credit from banking corporations, net and others	64,875	588,502	66,515	690,036	(96,506)
<b>Net cash - financing activities</b>	30,342	1,481,230	(496,196)	1,414,153	1,515,389
<b>Increase (decrease) in cash and cash equivalents</b>	(362,167)	(433,997)	(811,490)	(623,244)	(188,635)
<b>Balance of cash and cash equivalents at beginning of period</b>	383,369	572,004	832,692	761,251	572,004
<b>Balance of cash and cash equivalents at end of period</b>	21,202	138,007	21,202	138,007	383,369

**Amot Investments Ltd.**  
**Data Regarding Cash Flows**

	For the nine month period ended September 30		For the three month period ended September 30		For the year ended December 31
	2022	2021	2022	2021	2021
	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS	Thousands of NIS
	(Unaudited)		(Unaudited)		(Audited)
<b>A. Adjustments required to present cash flows from operating activities</b>					
<b>Expenses (income) not involving cash flows:</b>					
Fair value adjustment of investment property	(363,747)	(91,254)	(98,726)	-	(555,389)
Fair value adjustment - Reducing transaction costs	18,248	114,334	15,821	104,885	120,538
Company's share in the profits of investees	(279,111)	(180,790)	(63,054)	(51,850)	(324,253)
Dividend from investees	1,750	1,250	-	-	5,250
Revaluation (erosion) of bonds, loans and loans from subsidiaries	222,379	35,834	63,924	14,853	36,505
Crediting of benefit with respect to share-based payment	4,791	3,701	1,552	1,122	5,043
Deferred taxes, net and previous years related taxes	37,236	2,199	14,356	(22,761)	191,797
Others, net	4,416	3,924	1,448	1,388	8,493
	<u>(354,038)</u>	<u>(110,802)</u>	<u>(64,679)</u>	<u>47,637</u>	<u>(512,016)</u>
<b>Changes to asset and liability items:</b>					
Decrease in trade receivables	2,108	7,259	(778)	2,707	8,973
Decrease (increase) in other receivables and debit balances	13,034	7,833	(2,261)	4,128	4,419
Decrease in long term other receivables and debit balances	2,086	6,339	263	1,012	7,537
Increase (decrease) in trade payables	1,169	954	(1,277)	2,437	(1,261)
Increase (decrease) in liabilities for employee severance benefits	1,400	-	-	-	(490)
Increase (decrease) in other payables and credit balances	<u>(212,430)</u>	<u>13,051</u>	<u>(55,672)</u>	<u>(52,883)</u>	<u>64,272</u>
	<u>(192,633)</u>	<u>35,436</u>	<u>(59,725)</u>	<u>(42,599)</u>	<u>83,450</u>
	<u>(546,671)</u>	<u>(75,366)</u>	<u>(124,404)</u>	<u>5,038</u>	<u>(428,566)</u>
<b>B. Non-cash activities</b>					
Investments in investment property against other payables and credit balances	<u>7,817</u>	<u>118,141</u>	<u>7,817</u>	<u>118,141</u>	<u>52,534</u>
Exercise of options for employees against receivables	<u>-</u>	<u>2,478</u>	<u>-</u>	<u>2,478</u>	<u>4,214</u>
Dividends have not yet been received from companies treated according to the equity accounted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,750</u>
<b>C. Additional information</b>					
Interest paid	<u>149,882</u>	<u>133,178</u>	<u>77,476</u>	<u>94,154</u>	<u>158,203</u>
Interest received	<u>7,872</u>	<u>2,486</u>	<u>494</u>	<u>767</u>	<u>153,216</u>
Taxes paid (*)	<u>158,616</u>	<u>-</u>	<u>22</u>	<u>-</u>	<u>-</u>
Taxes received	<u>-</u>	<u>19,219</u>	<u>-</u>	<u>-</u>	<u>19,219</u>
Dividend received	<u>1,750</u>	<u>1,250</u>	<u>-</u>	<u>-</u>	<u>5,250</u>

(\*) Taxes paid in the nine-month period ended on September 30, 2022 include taxes paid in respect of the Company's assessment agreement (for further details, see Note 17H1 in the Company's consolidated annual financial statements for 2021).

**Amot Investments Ltd.**  
**Additional information**

**(1) General:**

The Company's separate financial information has been prepared in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

This separate interim financial information should be reviewed together with the Company's separate financial information as of December 31, 2021, and for the one year period then ended, as well as the accompanying additional information.

**(2) Definitions**

Company - Amot Investments Ltd.

Investee - As defined in Note 1b to the Company's consolidated financial statements as of December 31, 2021.

**(3) Accounting policy:**

The Company's separate financial information was prepared in accordance with the accounting policies specified in Note 2 to the Company's consolidated financial statements, excluding the amounts of assets, liabilities, income, expenses and cash flows with respect to investees, as described below:

- A. The assets and liabilities are presented according to their values in the consolidated reports attributed to the Company itself as a parent company, excluding investments in investees.
- B. Investments in investees are presented as the net sum of the total assets less the total liabilities which are presented in the Company's consolidated financial statements with respect to the investees.
- C. The amounts of income and expenses reflect the income and expenses that are included in the consolidated financial statements which are attributable to the Company itself as a parent company, divided between profit or loss and other comprehensive income, excluding income and expense amounts with respect to investees.
- D. The Company's share in the results of investees is presented as the net sum of total revenues less total expenses as presented in the Company's consolidated financial statements, segmented between the statements of income and other comprehensive income.
- E. The cash flow amounts reflect the amounts which are included in the consolidated statements that are attributed to the Company itself as the parent company, excluding the amounts of cash flows with respect to investees.
- F. Loans given to and/or received from investees are presented in the amount that is attributable to the Company itself as the parent company.
- G. Balances and income and expenses with respect to transactions with investees, which were eliminated in the consolidated financial statements, are measured and presented under the relevant items in the data regarding the financial position and regarding profit or loss, in the same manner that would have applied to the measurement and presentation of such transactions, had they been carried out vis-à-vis third parties. Net deferred income (loss) is presented as a deduction from (addition to) the items representing the Company's share in the profit (loss) of investees, and investments in investees.

**(4) For details regarding events during the reporting period and subsequent to the date of the statement of financial position, see Note 4 to the condensed consolidated statements as of September 30, 2022.**



# APPENDIXES

Amot Investments Ltd. is a leading Israeli real estate company, operating as a subsidiary of Alony-Hetz Properties and Investments Ltd., which holds approximately 54% of its equity.



**English Translation solely for the convenience of the readers of the Hebrew language review report and Hebrew language financial statements.**

Date: November 14, 2022

To  
The Board of Directors of **Amot Investments Ltd. ("the company")**

Dear Sir/Madam,

**Re: Consent letter in term of Amot Investments Ltd. Shelf Offering from May 2022**

We hereby advise you that we agree to the inclusion (including by a way of reference) of our statements detailed below in connection with the May 2022 shelf prospectus.

- (1) Review Report dated November 14, 2022 regarding the condensed Consolidated Financial Statements of the company as of September 30, 2022 and for nine and three months periods ended September 30, 2022.
- (2) Review Report dated November 14, 2022 regarding the Separate interim Financial Information of the company which is presented in accordance with regulation 38-D of the Securities Regulations (Periodic and Immediate reports), 1970, as of September 30, 2022 and for nine and three months periods ended September 30, 2022.

**Respectfully,**

**Brightman Almagor Zohar & Co.**  
**Certified Public Accountants**  
**A Firm in the Deloitte Global Network**

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**Quarterly Report on the Effectiveness of the Internal Control over Financial Reporting and Disclosure pursuant to Regulation 38C(a) of the Securities Regulations (Periodic and Immediate Reports), 1970 for the third quarter of 2022**

Management, under the supervision of the Board of Directors of Amot Investments Ltd. (hereafter - the "Company") is responsible for setting and maintaining appropriate internal controls over financial reporting and the disclosure in the Company.

For that purpose, the members of the management are as follows:

1. Shimon Abudraham, CEO.
2. Judith Zynger, Deputy CEO and CFO.
3. Ohad Weis, Chief Controller.

Internal audit over financial reporting and disclosure includes the controls and procedures in place in the Company, which were designed by the CEO and the most senior financial officer or under their supervision, or by those who carry out these functions, under the supervision of the Company's Board of Directors and which are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with the provisions of the law, and to ensure that the information which the Company is required to disclose in the financial statements it publishes pursuant to the provisions the law is collected, processed, summarized and reported on the dates and in the format prescribed by law.

The internal controls include, among other things, controls and procedures that were designed to ensure that the information which the Company is required to disclose was accumulated and submitted to Company's management, including the CEO and the most senior financial officer or those who carry out these functions, in order to facilitate decision making at the appropriate time, in accordance with the disclosure requirements.

Due to its structural limitations, internal control over financial reporting and disclosure is not intended to provide absolute certainty that misrepresentation or omission of information in the statements will be avoided or discovered.

In the annual report on the effectiveness of internal control on financial reporting and disclosure attached to the annual report for the period ended December 31<sup>st</sup> 2021 (hereinafter: "The last annual report on internal control"), the Board of Directors and the Management assessed the internal control of the Company, based on this assessment, the Board of Directors and the Management of the Company concluded that the internal control, as of September 30<sup>st</sup>, 2022 is **effective**.

As of the date of the report, the Board of Directors and management have not been aware of any event or issue that would change the assessment of the effectiveness of the internal control, as found in the last annual report on internal control.

As of the date of the report, based on the last quarterly report on internal control, and based on information brought to the attention of management and the Board of Directors as noted above, the internal control is effective.

## **Executive declarations**

- (a) Statement of the CEO in accordance with Regulation 38C(d)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970

### **Executive Declaration**

#### **Declaration of the Chief Executive Officer**

I, Shimon Abudraham, do hereby state that:

1. I have examined the quarterly report of Amot Investments Ltd. (hereafter – “Amot”) for the third quarter of 2022 (hereinafter: “the Reports”);
2. In my opinion, the Reports do not contain any untrue statement of a material fact nor omit to state a material fact necessary so that the exhibits included therein, in light of the circumstances under which such exhibits were made, will not be misleading with respect to the reporting period;
3. To the best of my knowledge, the financial statements and the other financial information included in the Reports adequately reflect, in all material respects, the financial position, results of operations and cash flows of Amot for the dates and periods referred to in the Reports;
4. I have disclosed to Amot’s independent auditor, the Board of Directors and the Board of Directors’ Audit and Financial Statements Committees, based on my most up-to-date evaluation of internal control over financial reporting and disclosure;
  - a. All significant deficiencies and weaknesses in the determination or operation of internal controls over financial reporting and disclosure that are reasonably likely to negatively impact Amot’s ability to collect, process, summarize and report financial information in a manner that would cast doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the law, and –
  - b. Any fraud, whether material or not, involving the CEO or his direct subordinates or other employees who have a significant role in the internal control over financial reporting and disclosure;
5. I, by myself or with others in Amot:
  - a. Have established controls and procedures, or have verified the establishment and existence of controls and procedures under my supervision, designed to ensure that material information referring to Amot, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, brought to my attention by others in Amot and in its consolidated companies, particularly during the preparation period of the reports; and –
  - b. Have established controls and procedures, or have verified the establishment and existence of controls and procedures under my supervision, designed to provide reasonable assurance of the reliability of financial reporting and preparation of the financial statements in accordance with the law, including generally accepted accounting principles;
  - c. No event or issue has come to my attention which has occurred during the period between the last report date (quarterly or periodic, as the case may be), that may be such as to change the conclusions of the Board of Directors and management regarding the effectiveness of internal controls over Amot’s financial reporting and disclosure.

The above does not detract from my responsibility or the responsibility of any other person according to the law.

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**November 14, 2022**

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**Signature**  
**Shimon Abudraham, CEO**

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- (b) Statement of the CEO in accordance with Regulation 38C(d)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970

### **Executive Declaration**

#### **Declaration of the Most Senior Financial Officer**

I, Judith Zynger, do hereby state that:

1. I have examined the interim financial statements and the other financial information included in the interim reports of Amot Investments Ltd. (hereafter – “Amot”) for the third quarter of 2022 (hereinafter: “**the Reports**” or “**the Interim Reports**”);
2. To the best of my knowledge, the interim financial statements and the other financial information included in the interim reports do not include any misrepresentation of a material fact, nor do they lack the representation of a material fact that is necessary so that the representations included therein, in view of the circumstances in which those representations were included, will not be misleading with respect to the reporting period;
3. To the best of my knowledge, the interim financial statements and the other financial information included in the interim reports adequately reflect, in all material respects, the financial position, results of operations and cash flows of Amot for the dates and periods referred to in the Reports;
4. I have disclosed to Amot’s independent auditor, the Board of Directors and the Board of Directors’ Audit and Financial Statements Committees, based on my most up-to-date evaluation of internal control over financial reporting and disclosure;
  - a. All significant deficiencies and material weaknesses in the determination or operation of internal controls over financial reporting and disclosure, as it relates to the interim financial statements and the other financial information included in the interim financial statements, that are reasonably likely to negatively impact Amot’s ability to collect, process, summarize and report financial information in a manner that would cast doubt on the reliability of the financial reporting and the preparation of the financial statements in accordance with the law; and –
  - b. Any fraud, whether material or not, involving the CEO or his direct subordinates or other employees who have a significant role in the internal control over financial reporting and disclosure;
5. I, by myself or with others in Amot:
  - a. Have established controls and procedures, or have verified the establishment and existence of controls and procedures under our supervision, designed to ensure that material information referring to Amot, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 2010, brought to my attention by others in Amot and in its consolidated companies, particularly during the preparation period of the reports; and –
  - b. Have established controls and procedures, or have verified the establishment and existence of controls and procedures under my supervision, designed to provide reasonable assurance of the reliability of financial reporting and preparation of the financial statements in accordance with the law, including generally accepted accounting principles;
  - c. No event or issue has come to my attention which has occurred during the period between the last report date (quarterly or periodic, as the case may be) and the date of this report that refers to the interim financial statements and any other financial information included in the interim financial statements, that may be such as to change the conclusions of the Board of Directors and management regarding the effectiveness of internal control over Amot’s financial reporting and disclosure.

The above does not detract from my responsibility or the responsibility of any other person according to the law.

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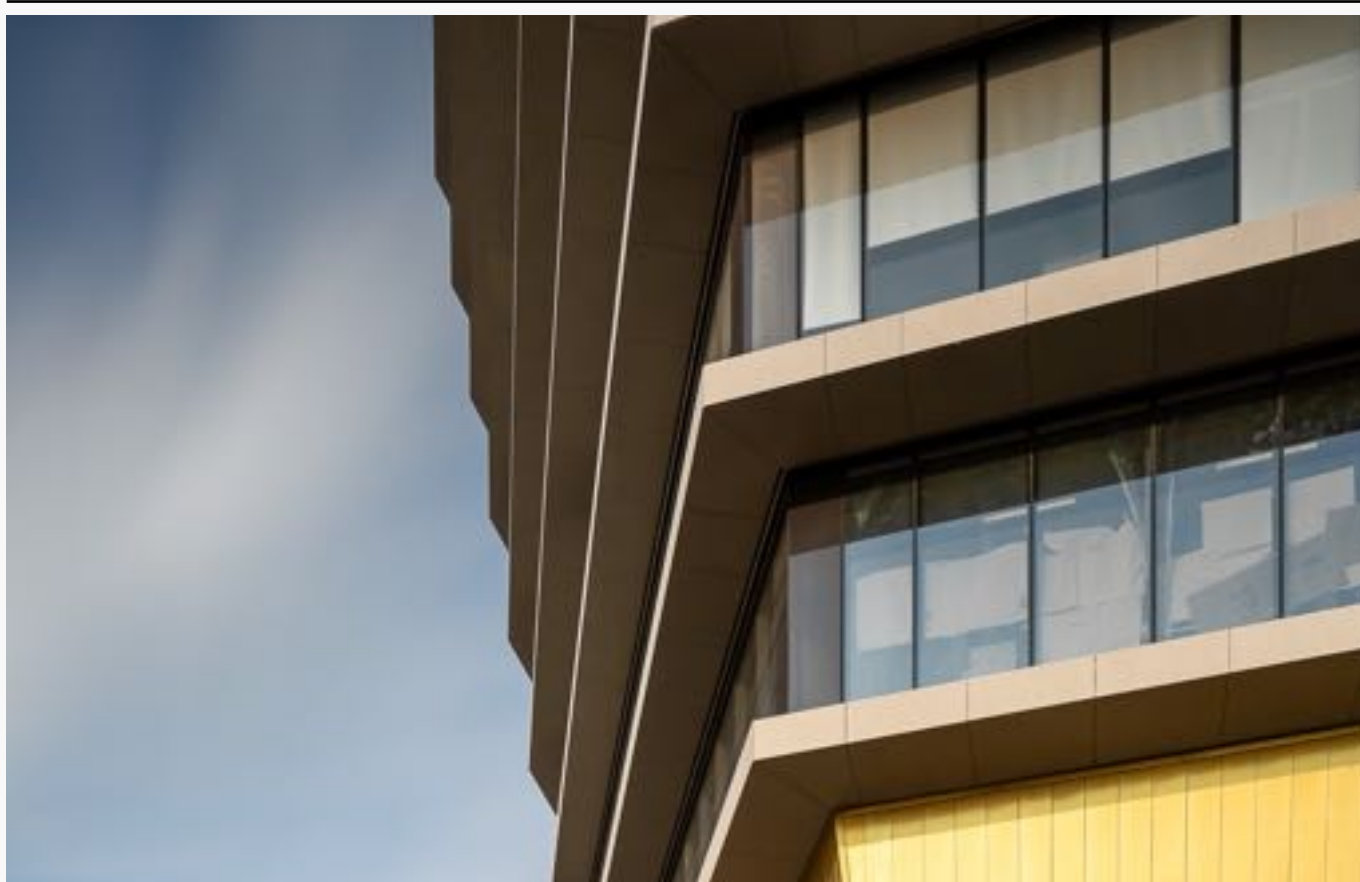
**November 14, 2022**

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**Signature**  
**Judith Zynger, Deputy CEO**  
**and CFO**

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AMOT INVESTMENTS. PEOPLE FIRST.

# AMOT INVESTMENTS LTD.

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