Keystone Infra Ltd.

Interim Financial Information

(Unaudited)

as of 30 June 2026

This report is a translation of Keystone Infra's Hebrew-language interim financial information, prepared solely for convenience purposes. Please note that the Hebrew version is the binding version, and in any event of discrepancy, the Hebrew version shall prevail.

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[Letterhead of PWC]

Auditors' review report to the shareholders of Keystone Infra Ltd.

Introduction

We have reviewed the accompanying financial information of Keystone Infra Ltd. (the "**Company**"), which includes the Condensed Statement of Financial Position as of 30 June 2026 and the Condensed Statements of Comprehensive Income, Changes in Equity and Cash Flows for the six- and three-month periods then ended. The board of directors (the "**Board**") and management are responsible for the preparation and presentation of the financial information for these interim periods in accordance with IAS 34 "Interim Financial Reporting", and they are also responsible for the preparation of financial information for these interim periods under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970. Our responsibility is to express a conclusion on the financial information for these interim periods, based on our review.

Scope of the 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 principally of making inquiries 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, nothing has come to our attention that causes us to believe that the aforementioned financial information has not been prepared, in all material respects, in accordance with IAS 34.

In addition to the statements in the previous paragraph, based on our review, nothing has come to our attention which causes us to believe that the aforementioned financial information does not meet, in all material respects, the disclosure provisions under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

Tel Aviv, 24 August 2026	KESSELMAN & KESSELMAN Certified Public Accountants A member firm of PricewaterhouseCoopers International Limited

[Letterhead of PWC)

24 August 2026

To:
The Board of Directors of Keystone Infra Ltd.

4 Ariel Sharon, Givatayim

Dear Sir/Madam,

Re: **Letter of consent in connection with the shelf prospectus of Keystone Infra Ltd. (the "Company") of May 2024**

We hereby notify you that we agree to the inclusion (including by way of reference) of our report which is specified below in a shelf offering that shall be filed by the Company, if any, under the Company's shelf prospectus of May 2024:

The auditor's review report of 24 August 2026 on the Company's condensed financial information as of 30 June 2026 and the six- and three-month periods then ended.

Sincerely,

KESSELMAN & KESSELMAN
Certified Public Accountants
A member firm of PricewaterhouseCoopers International Limited

Keystone Infra Ltd. - Statements of Financial Position

	Note	30 June 2026	30 June 2025	31 Dec. 2025
		(Unaudited)	(Unaudited)	(Audited)
		ILS in thousands		
Assets				
Current assets				
Cash and cash equivalents		316,205	168,989	313,943
Short-term investments		23,927	-	-
Accounts receivable		18,748	8,970	16,044
		358,880	177,959	329,987
Non-current assets				
Investments in investees and loans	4	4,736,884	3,834,290	4,658,108
Pledged deposit		-	806	-
Accounts receivable		758	27,108	780
		4,737,642	3,862,204	4,658,888
Total Assets		**5,096,522**	**4,040,163**	**4,988,875**
Liabilities and capital				
Current liabilities				
Commercial paper and short-term loans		-	375,000	-
Current maturities of bonds		144,008	57,430	96,371
Accounts payable		30,607	17,316	12,542
		174,615	449,746	108,913
Non-current liabilities				
Bonds		1,408,794	1,046,800	1,448,657
Deferred taxes		398,116	222,967	387,317
		1,806,910	1,269,767	1,835,974
Total liabilities		1,981,525	1,719,513	1,944,887
Capital				
Share capital		1,597,705	1,496,571	1,511,931
Proceeds on account of options		-	8,959	7,611
Share-based payment capital reserve		21,341	21,341	21,341
Retained earnings		1,495,951	793,779	1,503,105
		3,114,997	2,320,650	3,043,988
Total Liabilities and Capital		**5,096,522**	**4,040,163**	**4,988,875**

Date of approval of the Financial Statements by the Company's Board: 24 August 2026

Aharon Biram	**Navot Bar**	**Rachel Segal**
Chairman of the Board	CEO	Deputy CEO and CFO

Keystone Infra Ltd. - Statements of Comprehensive Income

	Note	6 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2026	3 months ended 30 June 2025	Year ended 31 Dec. 2025
		(Unaudited)		(Unaudited)		(Audited)
		ILS in thousands				
Revenues	4B					
Net change in fair value of investments in investees measured at fair value through profit and loss, net of income from dividend, interest and loan proceeds		98,553	167,283	43,512	110,761	1,029,290
Income from dividend, interest and loan proceeds		41,943	120,117	29,443	91,967	236,658
Total Revenues		**140,496**	**287,400**	**72,955**	**202,728**	**1,265,948**
Operating expenses						
Management fees		26,306	18,350	14,109	9,819	40,629
Transaction costs due to acquisition of investees (primarily professional services)		1,948	440	1,108	131	1,338
Other operating expenses		8,422	5,720	4,949	2,486	14,922
Total Expenses		**36,676**	**24,510**	**20,166**	**12,436**	**56,889**
Operating income		**103,820**	**262,890**	**52,789**	**190,292**	**1,209,059**
Financing income		8,875	5,504	6,926	1,537	10,816
Financing expenses		(37,990)	(38,124)	(23,231)	(23,510)	(74,883)
Profit before income taxes		**74,705**	**230,270**	**36,484**	**168,319**	**1,144,992**
Deferred income tax expenses		10,799	38,878	4,851	26,274	203,228
Total comprehensive income attributable to the Company's shareholders		**63,906**	**191,392**	**31,633**	**142,045**	**941,764**
Basic earnings per share attributable to the Company's shareholders (in ILS)		**0.3**	**1.0**	**0.15**	**0.8**	**5.0**
Diluted earnings per share attributable to the Company's shareholders (in ILS)		**0.3**	**1.0**	**0.15**	**0.8**	**4.9**

The accompanying notes are an integral part of the Financial Statements

Keystone Infra Ltd. - Statements of Changes in Equity

	Attributable to the Company's shareholders				
	Share capital	Proceeds on account of options	Share-based payment capital reserve	Retained earnings	Total equity
	ILS in thousands				
Balance as of 31 December 2025 (Audited)	**1,511,931**	**7,611**	**21,341**	**1,503,105**	**3,043,988**
Income for the period	-	-	-	63,906	63,906
Exercise of options	85,774	(7,611)	-	-	78,163
Dividend	-	-	-	(71,060)	(71,060)
Balance as of 30 June 2026 (Unaudited)	**1,597,705**	**-**	**21,341**	**1,495,951**	**3,114,997**
Balance as of 31 December 2024 (Audited)	**1,495,664**	**9,036**	**21,341**	**622,387**	**2,148,428**
Income for the period	-	-	-	191,392	191,392
Exercise of options	907	(77)	-	-	830
Dividend	-	-	-	(20,000)	(20,000)
Balance as of 30 June 2025 (Unaudited)	**1,496,571**	**8,959**	**21,341**	**793,779**	**2,320,650**

	Attributable to the Company's shareholders				
	Share capital	Proceeds on account of options	Share-based payment capital reserve	Retained earnings	Total equity
	ILS in thousands				
Balance as of 31 March 2026 (Unaudited)	**1,597,688**	**-**	**21,341**	**1,489,318**	**3,108,347**
Income for the period	-	-	-	31,633	31,633
Exercise of options	17	-	-	-	17
Dividend	-	-	-	(25,000)	(25,000)
Balance as of 30 June 2026 (Unaudited)	**1,597,705**	**-**	**21,341**	**1,495,951**	**3,114,997**
Balance as of 31 March 2025 (Unaudited)	**1,496,512**	**8,965**	**21,341**	**651,734**	**2,178,552**
Income for the period	-	-	-	142,045	142,045
Exercise of options	59	(6)	-	-	53
Balance as of 30 June 2025 (Unaudited)	**1,496,571**	**8,959**	**21,341**	**793,779**	**2,320,650**

Keystone Infra Ltd. - Statements of Changes in Equity

	Attributable to the Company's shareholders				
	Share capital and premium	Proceeds on account of options	Share-based payment capital reserve	Retained earnings	Total equity
	ILS in thousands				
Balance as of 31 December 2024 (Audited)	**1,495,664**	**9,036**	**21,341**	**622,387**	**2,148,428**
Income for the period	-	-	-	941,764	941,764
Exercise of options	16,267	(1,425)	-	-	14,842
Dividend	-	-	-	(61,046)	(61,046)
Balance as of 31 December 2025 (Audited)	**1,511,931**	**7,611**	**21,341**	**1,503,105**	**3,043,988**

The accompanying notes are an integral part of the Financial Statements

Keystone Infra Ltd. - Statements of Cash Flows

	6 months ended 30 June		3 months ended 30 June		Year ended 31 December
	2026	2025	2026	2025	2025
	(Unaudited)		(Unaudited)		(Audited)
	ILS in thousands				
Cash flows from operating activities					
Income for the period	63,906	191,392	31,633	142,045	941,764
Adjustments required for presenting cash flows from operating activities:					
Adjustments to profit and loss items -					
Deferred taxes	10,799	38,878	4,851	26,274	203,228
Change in fair value of investments in investees	(98,553)	(167,283)	(43,512)	(110,761)	(1,029,290)
Income from dividend, interest and loan proceeds	(41,943)	(120,117)	(29,443)	(91,967)	(236,658)
Financing expenses, net	29,115	32,620	16,305	21,973	64,067
	(100,582)	(215,902)	(51,799)	(154,481)	(998,653)
Changes in the Company's asset and liability items -					
Decrease (increase) in accounts receivable	(2,682)	(3,504)	227	419	(8,741)
Increase (decrease) in accounts payable	(685)	3,816	3,552	3,188	3,059
	(3,367)	312	3,779	3,607	(5,682)
Cash paid and received during the period by the Company for:					
Interest paid	(29,694)	(24,247)	(29,694)	(20,173)	(63,195)
Interest received	5,337	3,626	3,391	1,207	9,014
Dividend, interest and loan proceeds	41,943	120,117	29,443	91,967	236,658
	17,586	99,496	3,140	73,001	182,477
Net cash provided by (used for) operating activities	(22,457)	75,298	(13,247)	64,172	119,906

Keystone Infra Ltd. - Statements of Cash Flows

	6 months ended 30 June		3 months ended 30 June		Year ended 31 Dec.
	2026	2025	2026	2025	2025
	(Unaudited)		(Unaudited)		(Audited)
	ILS in thousands				
Cash flows from investing activities					
Acquisition of investees	(361,795)	(585,334)	(72,963)	-	(618,784)
Sale of investees	374,800	-	-	-	97,826
Short-term investments	(20,389)	-	(20,389)	-	-
Release (creation) of bank deposits	-	16	-	(2)	822
Net cash used for investing activities	(7,384)	(585,318)	(93,352)	(2)	(520,136)
Cash flows from financing activities					
Proceeds from issue of bonds	-	152,100	-	-	648,742
Issue expenses	-	(609)	-	-	(2,230)
Exercise of options	78,163	830	17	53	14,842
Repayment of commercial paper	-	-	-	-	(187,500)
Receipt of long-term loans from a financial institution	-	187,500	-	-	187,500
Repayment of long-term loans from a financial institution	-	-	-	-	(187,500)
Dividend paid	(46,060)	(39,700)	(25,000)	(20,000)	(80,746)
Repayment of bonds	-	-	-	-	(57,823)
Net cash provided by (used for) financing activities	32,103	300,121	(24,983)	(19,947)	335,285
Increase (decrease) in cash and cash equivalents	2,262	(209,899)	(131,582)	44,223	(64,945)
Cash and cash equivalents balance at the beginning of the period	313,943	378,888	447,787	124,766	378,888
Cash and cash equivalents balance at the end of the period	**316,205**	**168,989**	**316,205**	**168,989**	**313,943**
Information about non-cash flow investing activities:					
Declared dividend	25,000	-	25,000	-	-
Investment in Keystone Power	-	-	-	-	1,278,617
Convertible loan to an investee	-	-	-	-	26,187

The accompanying notes are an integral part of the Financial Statements

Note 1 - General

A. The Business

Keystone Infra Ltd. (the “**Company**”) was incorporated in Israel on 18 February 2019, at which time it started its operations. The address of the Company’s registered office is 4 Ariel Sharon, Givatayim.

On 1 June 2021, the Company’s shares were first listed on the Tel Aviv Stock Exchange Ltd. (“**TASE**”).

The Company invest in, manages and enhances strategic infrastructure assets, with the aim of maximizing long-term value for the its investors.

The Company is defined as an investment entity under IFRS 10, and accordingly measures its investments at fair value, as specified in Note 3 to the financial statements as of 31 December 2025.

B. Change in the Management Structure of the Company

Since the initial public offering of the Company on TASE and as of the date of the financial statements, the Company is managed by an external management company – N. K. Keystone Ltd. (the "**MC**"), pursuant to a management agreement (the "**Management Agreement**") (see Note 12A1 to the financial statements as of 31 December 2025, for details regarding the Management Agreement). The MC is a corporation controlled by Messrs. Aharon (Roni) Naftali Biram, Gil and Esther Deutsch and Navot Bar, who are defined as controlling shareholders of the Company by virtue of rights granted under the Management Agreement (the "**Controlling Shareholders**").

On 20 May 2026, the Company's general shareholder meeting approved a comprehensive framework for changing the Company's management structure, whereby: (1) the Company will cease to be managed through an external management company (as has been done to date); (2) the Company's ongoing management continuity and stability will be ensured for the long term and for the benefit of the Company, while retaining all of its managers and employees; and- (3) the Management Agreement will be assigned from the MC to a wholly-owned subsidiary of the Company, such that the management services will be provided to the Company through the subsidiary which will be owned and controlled by the Company, and in consideration therefor, the Company will allot to the MC shares at the rate of 5% of its issued and paid-up capital immediately following the closing of the merger. On 2 June 2026, approval for the transaction was obtained from the Competition Authority.

Also after the approval of the said framework and its taking effect, the Controlling Shareholders of the Company will continue to be considered the controlling shareholders of the Company, by virtue of their existing holdings in the Company's shares, which, together with the shares to be allotted as aforesaid to the MC under the aforesaid framework, will result in a holding rate in the issued share capital and voting rights in the general meeting exceeding 25%.

Note 1 – General (Cont.)

The said change in the management structure is subject to the satisfaction of several conditions precedent (receipt of TASE's approval for the listing of the shares allotted to the MC and receipt of a tax ruling in such language and under such conditions that do not impose material onerous terms on any of the parties to the share exchange agreement that are not standard for tax rulings of this type) by 31 August 2026 (which date may be postponed, under certain conditions, up to 28 February 2027); and will take effect upon the satisfaction of the conditions precedent, retroactively as of 1 June 2026. The general meeting's approval also included arrangements for the interim period, pending satisfaction of the conditions precedent, as well as accounting and indemnification mechanisms, an update to the compensation policy, an amendment to the Company's articles of association, and the approval of updated terms of office for the Chairman of the Board and the CEO of the Company. As of the report date, the restructuring is subject to conditions precedent that have not yet been fully satisfied, and therefore there is no certainty that the restructuring will be completed.

C. Impact of War in Israel

Since 7 October 2023 and the outbreak of the Swords of Iron war, the State of Israel has been engaged in an armed conflict that has affected the country and the Israeli economy. Despite the many difficulties and challenges in the business environment, the Israeli economy has demonstrated strength and resilience. Following Operation Rising Lion Israel's risk premium declined but remained high compared to its level on the eve of the Swords of Iron war, the domestic equity indices rose significantly, the government bond yields fell sharply, and the Israeli shekel strengthened substantially. In March 2026, Operation Roaring Lion commenced, during which the local stock indices continued to rise and the Shekel also continued to strengthen. The Company's investees which operate in Israel, that operate in the infrastructure, transportation and energy sectors, are infrastructures that are vital and critical for the functioning of the various systems in the economy, and accordingly they have continued to provide their services on an ongoing basis through the period of the hostilities. Accordingly, no material effect was recorded on the liquidity position of the Company and its investees, nor on their financing sources. During Operation Rising Lion and Operation Roaring Lion, activity in certain assets of the Company was reduced on a limited basis, without a material effect on the Company's operations. From time to time, to the extent that the war resumes and/or the impact on the economy deepens, the Company's management will re-examine potential impacts on the operations of the subsidiaries.

D. Impact of the Increase in Inflation and Interest Rates

In the report period, the Consumer Price Index (CPI) increased by 1.2%, compared with an increase of 1.6% in the same period last year. Since January 2024, the Bank of Israel interest rate remained at 4.5% until November 2025, when it was reduced to 4.25%. In January 2026, the interest rate was reduced to 4.0%, in May, the interest was reduced to 3.75% and in early July 2026, after the balance sheet date, the interest rate was reduced once more to 3.5% and it stands at this rate as of the release date of these reports. See Note 1.E to the Company's financial statements as of 31 December 2025 for the effect of inflation and the rise in interest rates on the Company's operations.

Note 1 – General (Cont.)

E. In These Financial Statements:

The Company	Keystone Infra Ltd.
Interested Party	Within the meaning thereof in Paragraph 1 of the definition of Interested Party of a Corporation in Section 1 of the Securities Law, 5728-1968.
Related Parties	As defined in IAS 24.
The MC	N. K. Keystone Ltd.
Investments in Investees	Investments in investees are measured at fair value through profit or loss in accordance with IFRS 10.

Note 2 - Basis of Presentation of the Condensed Financial Statements

A. The interim financial information is reviewed and unaudited

The Company’s condensed financial information as of 30 June 2026 and for the six- and three-month periods then ended (the “**Interim Financial Information**”) was prepared in accordance with International Accounting Standard No. 34 – “Interim Financial Reporting” (“**IAS 34**”), and includes the additional disclosure required in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970. The Interim Financial Information does not include all the information and disclosures required in the context of annual financial statements. The Interim Financial Information should be read in conjunction with the annual financial statements for 2025 and the accompanying notes, which comply with the International Financial Reporting Standards, which are accounting standards issued by the International Accounting Standards Board (IASB) (“**IFRS**”) and include the additional disclosure required in accordance with the Securities Regulations (Annual Financial Statements), 5770-2010.

B. Estimates

The preparation of interim financial statements requires the Company’s management to exercise judgment and also requires the use of assumptions and accounting estimates, which affect the implementation of the Company’s accounting policies and the amounts of the reported assets, liabilities, revenue and expenses. Actual results may differ from such estimates.

In the preparation of these interim financial statements, the significant judgments exercised by the management in the implementation of the Company’s accounting policies and the uncertainty entailed by the key sources of the estimates were identical to the ones in the Company’s annual financial statements for 2025.

Note 3 - Significant Accounting Policies

The significant accounting policies and calculation methods applied in the preparation of the Interim Financial Information are consistent with those used in the preparation of the Company's annual financial statements for 2025.

New IFRS, amendments to standards and new interpretations:

1. **New standards and amendments to existing standards that have not yet taken effect and in respect of which the Company has not opted for early application**

   In the Company’s annual financial statements for 2025, information was provided regarding new IFRS and amendments to existing IFRS that have not yet taken binding effect and in respect of which the Company has not opted for early application. As of the date of approval of these financial statements, there are no new standards or amendments to existing standards that are relevant to the Company which were not stated in the Company’s annual financial statements for 2025.

Note 4 - Investments in Investees and Loans:

A. Composition of the Investments in Companies:

		Balance as of 30 June 2026				
Company Name	Comment	Original Investment Amount	Aggregate Investment Proceeds	Fair Value	Fair Value Hierarchy	Holding Rate
		ILS in thousands				
Egged Partnership	1	1,530,477	64,339	2,730,569	Level 3	65% (*)
Eranovum	2	178,217	-	269,689	Level 3	49%
Ashkelon Desalination Plant	3	218,660	203,500	98,018	Level 3	50%
Keystone Power(**)	3	926,128	685,591	1,382,547	Level 3	100.0%
Sunflower Sustainable Investments	4	221,903	-	238,588	Level 1	64.83%
Cinturion	5	17,473	-	17,473	Level 3	30%
Total investments in investees and loans		**3,092,858**	**953,430**	**4,736,884**		

(*) The Company holds ~71.1% of Egged Partnership, which holds 91.4% of Egged.

(**) See Note 4.C.3 below for details about the investments included in Keystone Power.

1) As of 30 June 2026, the investment's fair value was updated for the period elapsed from the actual date of the transaction with an independent third party through the date of the financial statements, based on the projected return for the shareholders, less dividends, loan repayments, and interest received during the period. See Note 4C1 for further details.

2) The fair value of this investment is according to the external valuation that was carried out as of 31 December 2025, following adjustments for change in the exchange rate. This investment was supplemented by an additional investment in the report period, see also Note C2 below.

3) As of 30 June 2026, the fair value of the investments was updated for the period elapsed from the date of the valuations as of 31 December 2025, as carried out by external valuers, through the date of the financial statements, based on the expected return to the owners (as determined in the external valuation), net of dividends, loan repayments and interest received during the period.

4) The fair value of this investment was determined based on the share price quoted on TASE.

5) The fair value of this investment is determined based on the consideration paid on the date of the closing of the transaction.

6) For details regarding the signing of an agreement for the purchase of HOT Mobile, see Note 6C below.

Note 4 - Investments in Investees and Loans (Cont.)

Company Name	Balance as of 30 June 2025 Original Investment Amount	Aggregate Investment Proceeds	Fair Value	Fair Value Hierarchy	Holding Rate
	ILS in thousands				
Egged Partnership	1,639,027	64,339	2,218,667	Level 3	63.3% (*)
Drive Group	69,247	70,374	94,148	Level 3	21.3%
Eranovum	101,773	-	223,561	Level 3	49.0%
Ashkelon Desalination Plant	218,660	135,500	138,475	Level 3	50%
IPM Be'er Tuvia Power Plant(**)	585,582	264,124	501,619	Level 3	32.1%
G.P. Global(**)	22,309	-	30,057	Level 1	10.6%
Ramat Hovav Power Plant(**)	174,641	210,239	377,139	Level 3	16%
Hagit Power Plant(**)	107,596	121,106	119,688	Level 3	16%
Sunflower Sustainable Investments	179,165	-	113,463	Level 1	53.24%
Cinturion	17,473	-	17,473	Level 3	30%
Total investments in investees and loans	**3,115,473**	**865,682**	**3,834,290**		

Company Name	Balance as of 31 December 2025 Original Investment Amount	Aggregate Investment Proceeds	Fair Value	Fair Value Hierarchy	Holding Rate
	ILS in thousands				
Egged Partnership	1,639,027	64,339	2,770,000	Level 3	(*) 63.3%
Eranovum	155,635	-	270,026	Level 3	49.0%
Ashkelon Desalination Plant	218,660	165,500	131,700	Level 3	50.0%
Keystone Power (**)	890,128	681,648	1,278,617	Level 3	100%
Sunflower Sustainable Investments	184,940	-	190,292	Level 1	55%
Cinturion	17,473	-	17,473	Level 3	30%
Total investments in investees and loans	**3,105,863**	**911,487**	**4,658,108**		

(*) On 30 June 2025 and 31 December 2025, the Company held ~81.1% of Egged Partnership, which held ~78% of Egged.

(**) For further details see Note 4C3.

Note 4 - Investments in Investees and Loans (Cont.)

B. Composition of Revenue from Investments in Companies:

Company Name	6 months ended 30 June 2026 Net Change in Value of Investments measured at Fair Value net of Income from Dividends, Interest and Loan Proceeds	Income from Dividends, Interest and Loan Proceeds	Total
	ILS in thousands		
Egged Partnership	69,119	-	69,119
Eranovum	(22,919)	-	(22,919)
Ashkelon Desalination Plant	(33,682)	38,000	4,318
Keystone Power	67,930	3,943	71,873
Sunflower Sustainable Investments	18,105	-	18,105
Total	**98,553**	**41,943**	**140,496**

Company Name	6 months ended 30 June 2025 Net Change in Value of Investments measured at Fair Value net of Income from Dividends, Interest and Loan Proceeds	Income from Dividends, Interest and Loan Proceeds	Total
	ILS in thousands		
Egged Partnership	122,333	-	122,333
Drive Group	(10,152)	15,359	5,207
Ashkelon Desalination Plant	(7,525)	13,000	5,475
IPM Be'er Tuvia Power Plant(*)	75,414	65,906	141,320
G.P. Global(*)	(4,956)	-	(4,956)
Ramat Hovav Power Plant(*)	9,694	8,713	18,407
Hagit Power Plant(*)	(10,150)	17,139	6,989
Sunflower Sustainable Investments	(7,375)	-	(7,375)
Total	**167,283**	**120,117**	**287,400**

(*) For further details see Note 4C3.

Note 4 - Investments in Investees and Loans (Cont.)

	3 months ended 30 June 2026		
Company Name	**Net Change in Value of Investments measured at Fair Value net of Income from Dividends, Interest and Loan Proceeds**	**Income from Dividends, Interest and Loan Proceeds**	**Total**
	ILS in thousands		
Egged Partnership	69,119	-	69,119
Eranovum	(22,919)	-	(22,919)
Ashkelon Desalination Plant	(23,429)	25,500	2,071
Keystone Power	32,656	3,943	36,599
Sunflower Sustainable Investments	(11,915)	-	(11,915)
Total	**43,512**	**29,443**	**72,955**

	3 months ended 30 June 2025		
Company Name	**Net Change in Value of Investments measured at Fair Value net of Income from Dividends, Interest and Loan Proceeds**	**Income from Dividends, Interest and Loan Proceeds**	**Total**
	ILS in thousands		
Egged Partnership	66,765	-	66,765
Drive Group	2,238	209	2,447
Ashkelon Desalination Plant	2,639	-	2,639
IPM Be'er Tuvia Power Plant(*)	65,922	65,906	131,828
G.P. Global(*)	(4,956)	-	(4,956)
Ramat Hovav Power Plant(*)	604	8,713	9,317
Hagit Power Plant(*)	(13,597)	17,139	3,542
Sunflower Sustainable Investments	(8,854)	-	(8,854)
Total	**110,761**	**91,967**	**202,728**

(*) For further details see Note 4C3.

Note 4 - Investments in Investees and Loans (Cont.)

Company Name	Year ended 31 December 2025 Net Change in Value of Investments measured at Fair Value net of Income from Dividends, Interest and Loan Proceeds	Income from Dividends, Interest and Loan Proceeds	Total
	ILS in thousands		
Egged Partnership	673,666	-	673,666
Drive Group	(6,474)	15,721	9,247
Eranovum	(7,397)	-	(7,397)
Ashkelon Desalination Plant	(14,300)	43,000	28,700
IPM Be'er Tuvia Power Plant(*)	63,654	104,592	168,246
G.P. Global(*)	(10,341)	-	(10,341)
Ramat Hovav Power Plant(*)	(9,536)	39,732	30,196
Hagit Power Plant(*)	(25,906)	33,613	7,707
Soreq Power Plant(*)	302,245	-	302,245
Sunflower Sustainable Investments	63,679	-	63,679
Total	**1,029,290**	**236,658**	**1,265,948**

(*) For further details see Note 4C3.

C. Additional information on investments since 31 December 2025

1) Investment in Egged Partnership

1.1 In January 2026, the second and final put option under the purchase agreement of Egged and Egged partnership was exercised, and Egged partnership purchased an additional ~13.2% of Egged's shares such that its holding rate in Egged amounts to ~91.4%. The cost for the purchase amounted to approx. ILS 593 million, and it was paid through equity in the amount of ILS 335 million and bank financing in the amount of approx. ILS 258 million.

1.2 On 18 March 2026, the Company closed a transaction for the sale of 10% of Egged Partnership to Meitav Gemel and Pension Ltd., in consideration for approx. ILS 375 million. The consideration amount reflects an Egged valuation of approx. ILS 6 billion. Accordingly, subsequent to the closing of the transaction, the Company holds ~71.1% of Egged Partnership, affording it (indirectly) ~64.98% of Egged's shares. To emphasize, the transaction did not include a sale of shares in the General Partner of the Partnership, and the Company remained the holder of 100% of the shares of the General Partner. As a result of the transaction, the Company recorded in Q4/2025 a pre-tax gain from change in fair value of approx. ILS 385 million.

Note 4 - Investments in Investees and Loans (Cont.)

C. Additional information on investments since 31 December 2025 (Cont.)

2) Investment in Eranovum

Further to the Company signing of an agreement with Eranovum in September 2025, whereby the Company shall provide a convertible loan in the sum of €20 million, in February 2026, the Company provided Eranovum, an additional sum of €6.2 million thereby bringing the loan balance to €20 million according to Eranovum's meeting of the milestones determined in the loan agreement. The loan bears interest at the rate of 12.5%, with a possible reduction to 9.5% according to Eranovum's revenues. The loan is payable by 30 June 2028. The loan is classified in the Company's statements under the 'Investments' item, starting from the date on which the conversion right was added to the loan. In addition, subsequent to the balance sheet date, on 4 August 2026, the Company provided a bank guarantee of €5 million to a Spanish bank that extended a bank loan of €5 million to Eranovum.

3) Keystone Power

On 31 December 2025, a restructuring took effect, in which the Company transferred to Keystone Power all of its activities in the conventional energy sector, with a tax exemption in accordance with the provisions of Sections 104A and 105A(2) of the Income Tax Ordinance [New Version], 5721-1961 (the "**Ordinance**"), and subject to the conditions set forth in the Tax Decision that was received. The assets that were transferred in the context of the restructuring were the holdings and investments in IPM Power Plant, the holdings and investments in Ramat Hovav and Hagit East Power Plant and the engagement in connection with the Soreq project. See Note 7C4 to the financial statements as of 31 December 2025 for further details.

In addition, the Company extended to Power convertible loans of approx. ILS 36 million in April 2026 and an additional amount of approx. ILS 82.5 million in August 2026. The loans bear interest at an approximate rate of 6% and are designated to finance the continued construction and development of the Soreq power plant.

Note 4 - Investments in Investees and Loans (Cont.)

C. Additional information on investments since 31 December 2025 (Cont.)

4) Investment in Sunflower

In the report period, a reversal was recorded of a provision for additional consideration in the amount of ILS 6,771 thousand to Sunflower's selling shareholders in connection with an arbitration against the Kingdom of Spain, conducted by Sunflower, as detailed in Note 7C5 to the financial statements as of 31 December 2025, due to the lapse of time set for the payment of the additional consideration. The income is included in the item of revenues from net change in fair value of investments.

In April 2026, a definition of business arrangement took effect, pursuant to which the Company undertook that, as long as it is considered a controlling shareholder of Sunflower and officers thereof serve as officers of Sunflower, it shall refrain, and shall exercise its control power in private corporations controlled thereby so that they refrain from performing the following actions, other than subject to the granting of a right of first offer to Sunflower to perform them itself, in accordance with and subject to the provisions of such arrangement: (a) investment in or financing of activity, directly or through corporations controlled thereby, in corporations, more than 20% of whose business (in terms of the target corporation's value) is in the field of renewable energy (as defined in the arrangement); (b) investment in or financing of projects in the field of renewable energy (as defined in the arrangement). For the avoidance of doubt, it is clarified that any activity, transaction, or business opportunity that is not within the scope of those listed in paragraphs (a) or (b) above, shall not be considered a business opportunity that could have belonged to Sunflower, and the Company shall be entitled to perform, enter into, or take it, either itself and/or through corporations controlled thereby, and not through Sunflower.

In May 2026, the Company acquired 9.65% of Sunflower's shares from Leumi Partners in the amount of approx. ILS 37 million, such that as of the date of the financial statements, the Company held 64.83% of Sunflower. Concurrently with the closing of the acquisition, the letter of understandings signed in favor of Leumi Partners was canceled, and the office of the director on behalf of Leumi Partners in Sunflower's Board was terminated. For further details regarding the letter of understandings, see Note 7.C.5 to the financial statements as of 31 December 2025. In July 2026, subsequent to the balance sheet date, Sunflower closed the "Solterra" transaction for the purchase of solar projects, energy storage projects, and hybrid projects (solar and storage) in various stages of development in Germany, Poland, and Italy, with an estimated total capacity of approx. 240 MW solar (of which approx. one half are co-located solar-plus-storage projects with a capacity of approx. 286 MWh) and approx. 7,662 MWh of total storage. The consideration for the transaction included share-based consideration, and as of the date of signing of this report, the Company holds 62.23% of Sunflower.

Note 5 - Transactions with Interested Parties and Related Parties:

A. Transactions with Interested Parties and Related Parties

	6 months ended 30 June		Year ended 31 December
	2026	2025	2025
	ILS in thousands		
Management fees to the MC (*)	26,306	18,350	40,629

(*) The MC received from Sunflower, a company controlled thereby, an additional amount of ILS 17 thousand in the report period, ILS 135 thousand and in the same period last year, and ILS 540 thousand in 2025, for the Company's CEO's service as Sunflower's chairman of the board. On 12 January 2026, upon the appointment of an external chairman of the board of Sunflower, the tenure of the Company's CEO as chairman of the board of Sunflower was terminated, and the payment of the said management fees was discontinued.

	30 June		31 December
	2026	2025	2025
	ILS in thousands		
Sunflower supplemental consideration undertaking	-	6,771	6,771
Accounts receivable for affiliates	17,117	8,557	14,913
Loan to an affiliate	-	26,331	-

(*) See Note 4C4 above.

(**) Balances with affiliates include mainly balances with Egged Partnership, which as of the report date amounted to approx. ILS 16 million.

Note 5 - Transactions with Interested Parties and Related Parties (Cont.)

B. Compensation and Benefits to Interested Parties and Related Parties for Interested Parties Employed by the MC

	6 months ended 30 June		3 months ended 30 June		Year ended 31 December
	2026	2025	2026	2025	2025
	ILS in thousands				
Salary for an interested party employed by the MC	1,920	1,920	960	960	3,840
Directors' remuneration	625	458	231	248	1,167

Note 6 - Events During and After the Report period:

A. See Note 4C above for details on events in connection with the Company's investments during and after the report period.

B. See Note 1B above for details on the change in the management structure of the Company.

C. The HOT transaction

On 30 June 2026, the Company, together with "Delek" The Israel Fuel Corporation Ltd. ("**Delek**") and Leumi Partners Ltd. ("**Leumi Partners**") and a corporation under their control (the "**Buyer**"), entered into an agreement for the purchase of the shares of HOT Mobile Ltd. ("**HOT Mobile**").

According to the information provided to the Company, HOT Mobile is a private company incorporated in Israel in 1994, which engages in the provision of cellular telephony services in Israel. HOT Mobile also holds 50% (directly and indirectly) of the interests in the partnership PHI (and its GP), which holds cellular infrastructure (the remaining interests in the partnership are held by Partner Communications Ltd).

HOT Mobile has ~2 million users, of which ~75% are B2C customers, and ~25% are B2B customers.

According to the agreement, the Company (40%), Delek (40%) and Leumi Partners (20%) shall acquire, through the Buyer, from a third party unaffiliated with the Company (the "**Seller**") the Seller's full shares and rights in HOT Mobile, in consideration for approx. ILS 1.218 billion, subject to standard adjustments in transactions of this type, including a "leakage amount" and certain transaction expenses, if any (the "**Consideration**"). The Company and Delek are jointly and severally liable for the Buyer's payment of the Consideration to the Seller.

Approx. ILS 700 million out of the Consideration amount are expected to be paid via a loan to be provided to HOT Mobile (without recourse to the Buyer and/or partners therein) by a banking institution, for a period of 10 years, bearing annual interest of Prime + 0.5%-1.5%, against liens to be created in its favor by HOT Mobile. In addition, under the emerging terms and conditions vis-à-vis the lender, financial covenants are expected to apply, including meeting a debt coverage ratio and a debt service ratio, as well as a "Cash Sweep" mechanism. The balance of the Consideration (approx. ILS 518 million) shall be funded by equity to be provided by the partners in the Buyer, according to their share in its capital (the Company's share: approx. ILS 207 million). As of the date of this report, the said financing conditions have not yet been finalized, and the binding financing agreement has not yet been signed.

The closing of the transaction is contingent upon several closing conditions which, as of the report date, have not yet been fully met (and therefore, as of the report date, the closing of the transaction is not certain), including the receipt of regulatory approvals, including the approval of the Ministry of Communications, the approval of the Competition Authority – which was obtained on 5 August 2026, approvals by certain financial institutions, the veracity of the parties' representations and fulfillment of their obligations, and the absence of a Material Adverse Change (as defined in the Purchase Agreement), until the last day for fulfillment thereof, as determined in the Purchase Agreement (6 months from the date of filing of the applications with the Ministry of Communications and the Competition Authority), which term may be extended by each party by an additional period of up to 3 months.

Note 6 - Events During and After the Report period (Cont.)

Concurrently with the signing of the Purchase Agreement, the Company, Delek and Leumi Partners entered into an agreement between the partners, governing their relationship within the Buyer (the "Partners' Agreement"), which include arrangements in connection with the management of the Buyer and HOT Mobile, the appointment of directors, decision-making and the appointment of a CEO and Chair according to the standard practice in agreements of this type.

The Partners' Agreement includes provisions with respect to the cellular infrastructure platform, in which HOT Mobile holds ~50% in PHI Networks (2015) Limited Partnership ("**PHI**"), through which HOT Mobile and Partner's cellular access network is operated. In this context, the Partners' Agreement includes arrangements pertaining to PHI's business development strategy, as well as agreements on the advancement of processes for a spin-off and structural separation.

The Partners' Agreement also includes provisions in connection with a dividend distribution policy, restrictions on share transfers (including a right of first offer and tag-along right). It further provides that the parties shall work for the offering and listing of the shares of HOT Mobile on the stock exchange, according to conditions and provisions agreed between them. The Partners' Agreement provides for a mechanism in case HOT Mobile is deemed a significant non-financial corporation under the Promotion of Competition and Reduction of Concentration Law, 5774-2013, whereby Leumi Partners shall be entitled, within a defined period of time and for a fixed price, to sell its interests in the Buyer and its shares in the GP to the Company and to Delek, such that if such right is exercised, Delek and the Company shall hold equal shares in the Buyer and in HOT Mobile.

D. Compliance with Financial Covenants

To secure the bonds issued by the Company, the Company is bound by certain financial covenants. As of 30 June 2026, the Company is compliant with its obligations and with the financial covenants under the indentures for its Series A and Series B Bonds.

E. Dividend Distributions

1) On 26 January 2026, the Company distributed a dividend of approx. ILS 21 million, which had been approved by the Company’s Board on 6 January 2026.

2) On 23 April 2026, the Company distributed a dividend of approx. ILS 25 million, which had been approved by the Company’s Board on 23 March 2026.

3) On 2 July 2026, after the date of the report, the Company distributed a dividend of approx. ILS 25 million, which had been approved by the Company’s Board on 17 June 2026.

F. Litigation

For details regarding lawsuits against the Company, see Note 12D to the Company’s financial statements as of 31 December 2025. With respect to the motions for provisional remedies filed in connection with the data center, on 1 April 2026 the motions were denied.