



Alony- Hetz Properties and Investments Ltd.
(The "Company")

Ramat Gan, September 12th 2021

To:

The Israel Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Re: **Notification about the Acceptance of the Offer of Amot Investments Ltd.**
to Purchase the Property known as the "Tzrifin Logistics Park"

The Company is honored to report that Amot Investments Ltd. (hereinafter: "**Amot**")¹ published today, September 12th 2021, an immediate report, which is specified as follows, and according to it Amot received on September 9th 2021 an official notice from the Management Company of the Provident Fund and Pension of the Employees of the Jewish Agency for Israel Ltd. (hereinafter: "**the Seller**" and "**the Seller's Notice**" respectively) that it is accepting Amot's offer to purchase all of the Seller's rights to the compound that is known as the "Tzrifin Logistics Park" (hereinafter: "**the Compound**") As-Is, in exchange for a sum of 1,518 million NIS plus VAT (hereinafter: "**the Consideration**").

A. General Details regarding the Compound

1. The Compound includes 274,000 sq m of which 224,000 sq m is designated for storage, industrial and office use, while approximately 50,000 sq m of the Compound is designated for roads, for open private areas and for open public areas. There are today 18 logistic structures in the Compound with a total constructed area of approximately 113,000 sq m.
2. The Compound is within the regional council Sdot Dan on the eastern side of Highway 44 (the highway between Ramla and Beit Dagan), and it is adjacent to the moshav Nir Tzvi and near Assaf HaRofeh Hospital and the Tzrifin Junction.
3. According to the information provided to Amot by the Seller, as of the day of the report the logistic structures, which exist in the Compound, are fully leased by various lease agreements to about 28 tenants (hereinafter: "**the Lease Agreements**"), and the accumulative rent that is received from the Lease Agreements reaches an annual total sum of 56 million NIS (this sum includes the management fees). All the rights and liabilities of the Seller in the

¹ A subsidiary of the Company that as of the date of the report 56.7% of its shares are held by the Company.

Compound according to the Lease Agreements will be assigned in the course of the purchase.

B. The Payment Schedule

1. According to the terms that were set by the Seller the agreement (hereinafter: "**the Sales Agreement**") will be signed within 7 business days from the day the Seller's Notice was received, and the Consideration will be paid on the dates, which are specified hereinafter:
 - 1.1 The first payment for the purchase of the Compound, which will be 30% of the Consideration plus VAT, will be paid at the time of the signing of the Sales Agreement.
 - 1.2 The remainder of the Consideration will be paid together with VAT no later than on October 10th 2021.
2. Amot will pay in addition to the Consideration a purchase tax in the sum of 6% of the Consideration².

C. Financing

According to Amot's notice, it intends to finance the payment of the Consideration from its own sources and/or by exercising credit facilities and/or from an external financing by raising capital and/or debt, while maintaining a level of leverage that is similar to the one that exists today in Amot.

D. Amot's Plans with regard to the Compound

According to Amot's notice, it believes that the Compound is unique because of its proximity to the cities of Gush Dan, its size, it is near main traffic routes, and it has a potential for development and improvement alongside it being an asset that generates a regular cash flow, which can be developed in stages. The purchase of the Compound is part of Amot's strategy to expand the logistics and storage sector, a sector that is undergoing a strong growth because it is a main link in the online trade. Amot intends in the course of a master plan that applies to the land and allows to store up to a height of 18 meters and/or in the course of the initiation of a new master plan to develop the Compound and improve it.

Sincerely,

Alony Hetz Properties and Investments Ltd.

By: Nathan Hetz, CEO

and Moti Barzilay, Executive VP Business Development

² A sum of 90 million NIS that will be registered in Amot's income statement at the time of the purchase as a one-time expense.