



Ramat Gan, November 16, 2021

To:

Israel Securities Authority

www.isa.gov.il

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

Re: Immediate report on signing a non-binding term sheet for adding an investor to Brockton Everlast

The company is pleased to announce that in order to achieve the long-term business goals of Brockton Everlast Inc. (a company incorporated in the UK) (“**BE**”), yesterday, the company and BE signed a non-binding term sheet with entities from the Menora Mivtachim Group (“**Menora**”) for Menora’s investment in BE in consideration for 10% of BE’s share capital (and, in accordance with below - up to 20%) at a pre-money company valuation of GBP 700 million, which comprises a Menora investment of GBP 78 million (approximately NIS 325 million), up to GBP 175 million (approximately NIS730 million).

To the extent the transaction is consummated and at the closing of the transaction (February 22, 2022), Menora purchases only 10% of BE’s share capital, Menora will be granted an option to purchase an additional 10% of BE’s share capital, at a pre-money company valuation of GBP 775 million (before adjustments), exercisable by no later than May 22, 2023.

As of September 30, 2021, BE’s equity amounted to GBP 516 million.

Consummation of the transaction is subject, among other things, to a due diligence review by Menora, legal reviews, obtaining relevant corporate approvals of both parties, any restrictions imposed by applicable law, including pursuant to the Israeli Law for Promotion of Competition and Reduction of Concentration 5774-2013 (“**Concentration Law**”) and the execution of a binding agreement.

Sincerely,

Alony Hetz Properties & Investments Ltd.

By Natan Hetz, CEO

and Moti Barzilay, EVP business development