



**January 22, 2023**

To  
Israel Securities Authority  
Via Magna

To  
Tel Aviv Stock Exchange Ltd.  
Via Magna

Further to disclosures made by Azrieli Group Ltd. (the “Company”) in its quarterly report for the third quarter of 2022 (ref. number 2022-01-140551), which stated that, pursuant to an agreement signed between the unit holders in Compass, a company operating in the data center sector in North America and EMEA of which the Company holds approximately 32.4%, the lock-up period on sales of holdings to third parties expired during the past week.

In view of reports in the foreign press, the Company respectfully reports that, to the best of the Company’s knowledge, its partners in Compass have initiated a process to evaluate a potential realization of their holdings in Compass.

As stated in the Company’s quarterly report for the third quarter of 2022, the agreement between the unit holders in Compass includes separation mechanisms that apply when selling holdings to third parties following the lock-up period, as further stipulated in the agreement.

For purposes of clarification, currently, there is no certainty as to whether the evaluation process conducted by the Company’s partners in Compass will result in a binding agreement or as to the structure and scope of any such transaction. The Company will report further to the extent any material developments occur, which would require disclosure in accordance with the law.

**Sincerely,**

**Adv. Nirit Zeevi, VP,  
General Counsel and  
Company Secretary.  
Azrieli Group Ltd.**