

**Amendment no. 1 to the Merger Agreement of 19 June 2025**

**Entered into and signed on 6 August 2025**

**Between:**                   **Az. ZM 2025 Ltd.**  
Company no. 517165809  
1 Azrieli Center  
Tel Aviv  
(the “**Target Company**”);

**Azrieli Group Ltd.**  
Company no. 510960719  
1 Azrieli Center  
Tel Aviv  
 (“**Azrieli**”);

**of the first part;**

**And between:**           **Z.M.H Hammerman Ltd.**  
Company no. 512531203  
10 Dan Shechtman St., Hadera  
(the “**Company**”)

**of the second part;**

**Whereas**           on 19 June 2025, the parties entered into a merger agreement (including all the annexes and attachments thereto: the “**Merger Agreement**”) in connection with a reverse triangular merger transaction, under which the Target Company shall be merged with and into the Company, such that after completion of the merger, the Company shall become a private company which is a bond company, as defined in the Companies Law, and shall remain a reporting corporation, as defined in the Securities Law, owned by Azrieli (~66.67%) and the managers group (~33.33%); and

**Whereas**           on 6 August 2025, the parties reached agreements regarding an update to the merger consideration, all as specified in this Amendment below;

**Wherefore, the parties have represented, stipulated and agreed as follows:**

**1.    General**

- 1.1.   The preamble to this Amendment constitutes an integral part hereof. All of the terms mentioned in this Amendment above and below shall bear the meaning afforded thereto in the Merger Agreement, unless expressly stated otherwise.
- 1.2.   For the avoidance of doubt, it is clarified that this Amendment constitutes an integral part of the Merger Agreement.

**2.    Amendment of the Consideration Clause**

- 2.1.   Section 3.2.2 of the Merger Agreement shall be omitted and replaced with:

*“On the closing date, in consideration for the purchased shares that shall be held by the eligible shareholders on the record date, and against their transfer to Azrieli on the closing date, Azrieli shall pay the eligible shareholders, for all of the purchased shares, total consideration (the **“Merger Consideration”**) which shall correctly reflect, as of the closing date, the company’s value for purposes of the consideration.*

*The **“Company’s Value for Purposes of the Consideration”** – the sum of NIS 855 million, linked to the known Consumer Price Index (CPI) from the index known on 31 March 2025 (the February 2025 index) until the last index known five business days prior to the closing date, plus NIS 5 million, net of transaction expenses in the sum total of approx. NIS 5.248 million, as specified in **Annex 3.2.2** to the agreement, and net of NIS 2.5 million in respect of the dividend that the company distributed on 17 June 2025. If the company distributes additional dividends from the date of signing of this agreement until the closing date, the Merger Consideration shall be reduced accordingly.*

*On the closing date, Azrieli shall pay the Merger Consideration in accordance with the provisions of Section 3.2.3.*

*For illustration purposes only, were the closing date to fall on the date of signing of this amendment, the Merger Consideration would be NIS 577.025 million, according to a company value of NIS 865.729 million (calculated according to NIS 868.478 million, plus NIS 5 million and net of NIS 7.748 million); and the Merger Consideration per share for an eligible shareholder would be NIS 43.24.”*

*No later than 5 business days before the closing date, the parties shall make a calculation of the sum of the Merger Consideration, as well as the sum of the Merger Consideration per purchased share of an eligible shareholder, and the company shall release an appropriate report thereon.”*

### 3. **Miscellaneous**

- 3.1. This Amendment shall take effect from the date of signing hereof by all of the parties.
- 3.2. This Amendment, unless explicitly stated otherwise herein, is intended to supplement, rather than derogate from or modify or affect, the provisions of the Merger Agreement. Except as explicitly specified herein, the provisions of the Merger Agreement shall continue to apply in full, without any modification, and all of the terms and conditions of the Merger Agreement shall remain in full effect.
- 3.3. This Amendment may be signed by the parties hereto in one copy or in several separate copies, which together shall constitute a single document.

***[Parties’ signatures on the next page]***

***[Amendment signature page]***

**In witness whereof, the parties have hereunto set their hands:**

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**Azrieli Group Ltd.**

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**Az. ZM 2025 Ltd.**

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**Z.M.H Hammerman Ltd.**

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**In witness whereof, the parties have hereunto set their hands:**

**(-) (-)**

**Azrieli Group Ltd.**

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**Az. ZM 2025 Ltd.**

**Z.M.H Hammerman Ltd.**