2023

PRESENTATION FOR THE CAPITAL MARKET | Q3

GAV YAM

Main activity

About Gav-Yam (Jan-Sep 2023)

ILS **560** million
revenue from leased properties and management fees

ILS **489** million
NOI

9%
increase in same property NOI

ILS **443** million
cashflow from current activity

ILS **422** million
net profit for shareholders

ILS **300** million
FFO for shareholders per management

* FFO per Israel Securities Authority; see p. 10

Main activity

About Gav Yam (as of 30 Sep 2023)

ILS 3.0 billion
backlog revenues from leases without development properties

ILS 1.4 billion
backlog revenues from leases for executed agreements in development

1.2 million m2
income-generating areas

98%
occupancy rate

4.2 years
avg. duration of lease agreements without development properties

11.3 years
avg. duration of lease agreements for development properties

490,000 m2
areas under development

400
customers

10%
real increase in rent

470,000 m2
available building rights

Main activity

About Gav Yam (as of 30 Sep 2023)

ILS **10.9** billion
income-generating property value

1.3% weighted avg
effective interest, index-linked

ILS **4.2** billion
equity for shareholders

ILS **663** million
liquid assets

6.6% avg. capitalization
rate for value of income-generating properties

Bond rating
ilAA
(Maalot)

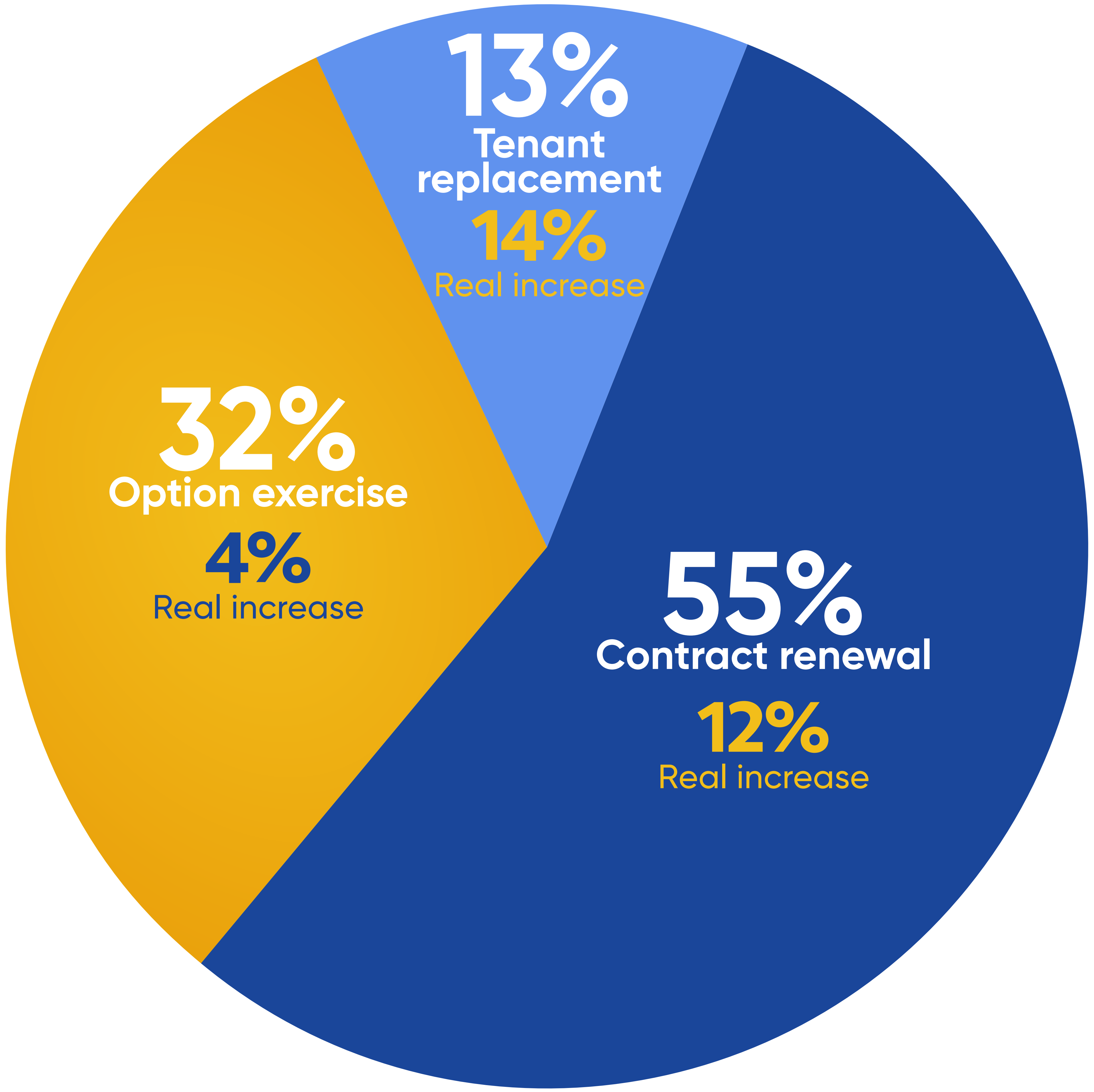
54.8%
leverage

ILS **465** million
credit facility

Main activity

Executed Agreements for existing properties (Jan-Sep 2023)

- **99** lease agreements for a total area of **129,000** m2 aboveground, generating ILS **98** million per year, reflecting a real increase, in excess of the index increase (offsetting TI) of **10%**.

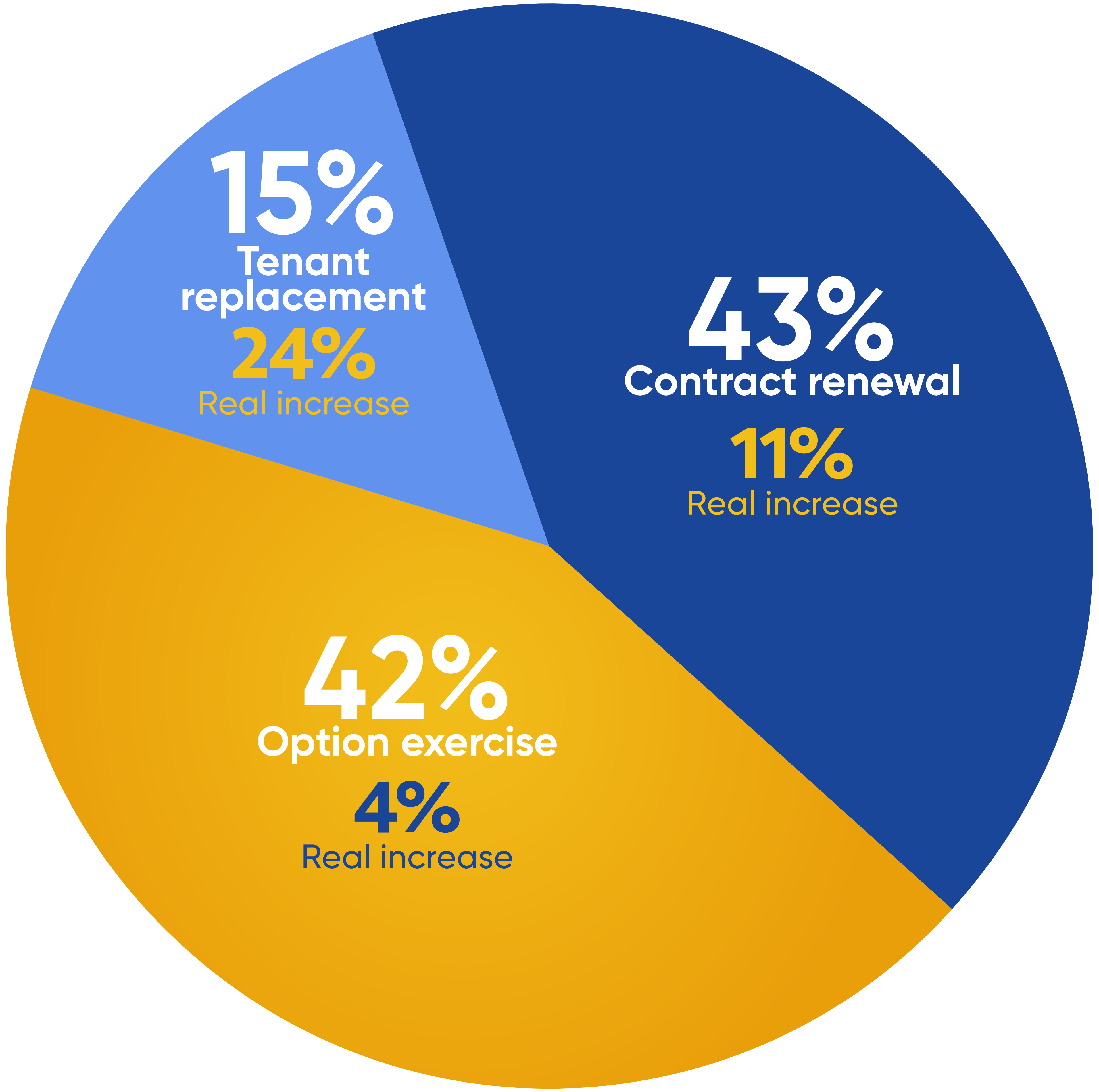


* הפילוח על פי הכנסות

Main activity

Executed Agreements for existing properties Q3 2023

- **26** lease agreements for a total area of **44,000** m2 aboveground, generating ILS **35** million per year, reflecting a real increase, in excess of the index increase (offsetting TI) of **10%.**



* הפילוח על פי הכנסות

Main activity

Development

- **12** development projects, with a total area of **490,000** m2, total investment of ILS **4.9** billion (ILS 3.9 billion without land), which derive additional representative annual income of ILS **378** million. Expected return from these projects is **7.7%**.
- To date the company has marketed **56%** of the aboveground areas in development, including an executed memorandum of understanding, which will generate additional income of ILS **185** million per year.
- The average lease period of the executed agreement for projects in development is **11.3** years (4.2 years in agreements for existing properties).

Main activity

Projects ending in 2023

1. Matam East #2 - **48,000** m2, annual revenue of ILS **33** million - completed and fully occupied.
2. Rav Bariach #1 - **41,000** m2 (**28,000** m2 company's share), annual revenue of ILS 12 million; completed and fully occupied.
3. Gav-Yam Haifa Bay logistics center #4 - **20,000** m2 annual revenue of ILS **11** million per year, completed and fully marketed.
4. Gav-Yam Raanana - **73,000** m2 (**51,000** m2 company's share), annual revenue of ILS **29** million (company's share), 35% marketed.

Total project completion in 2023 - **182,000** m2 (**147,000** m2 company's share) that will generate ILS **85** million per year (company's share), of which **83%** of the aboveground area has been marketed.

Main activity

Jan-Sep 2023

	1-9.2023	1-9.2022	Increase	change %
NOI	**489**	**411**	**78**	**19%**

*figures in ILS millions

- Projected NOI for 2023 ILS **640-655** million, an increase of **18%** (ILS **100** million) compared to 2022.

Main activity

Jan-Sep 2023

	1-9.2023	1-9.2022	גידול	שיעור השינוי
FFO לפי גישת ההנהלה	300	230	70	30%
FFO לפי גישת רשות ניירות ערך	177	91	86	95%

*figures in ILS millions

- FFO projected for 2023 ILS **380-400** million, increase of **28%** (ILS **90** million) compared to 2022.

Main activity

Q3 2023

	7-9.2023	7-9.2022	Increase	change %
NOI	**171**	**142**	**29**	**20%**
FFO PER MANAGEMENT	**102**	**81**	**21**	**26%**
FFO PER ISRAEL SECURITIES AUTHORITY	**73**	**42**	**31**	**74%**

*figures in ILS millions

- Leverage = **54.8%**
- Cash flow from current activity at Q3 end 2023 totaled ILS **443** million, compared to ILS **333** million, an increase of **33%** compared to the same period last year.

Main activity

Urban building plans (UBS) under planning and licensing procedures

	UBS	Current situation	Updated condition	Status
1	Herzliya North	55,000 m2	400 residential units 45,000 m2 business and retail	UBS in planning process.
2		5,000 m2	400 residential units 50,000 m2 business 10,000 m2 industry and retail	Approval in principle by local committee for plan promotion
3	Acre	-	1,000 residential units	UBS in planning process
4	Holon	60,000 m2 constructed	850 residential units 500,000 m2 business 60,000 m2 industry and retail	Approved for deposit under conditions 2 out of 3 plans: 260 residential units, 140,000 m2 business, 7,000 m2 retail.
	Total	**120,000 m2**	**2,650 residential units** **670,000 m2 for business, industry and retail**	

Added total of 550,000 m2 and 2,650 residential units

Income-generating property value (ILS 10,949 million)

6.6% weighted rate of return **1.2** million m2

ILS **2,414** million

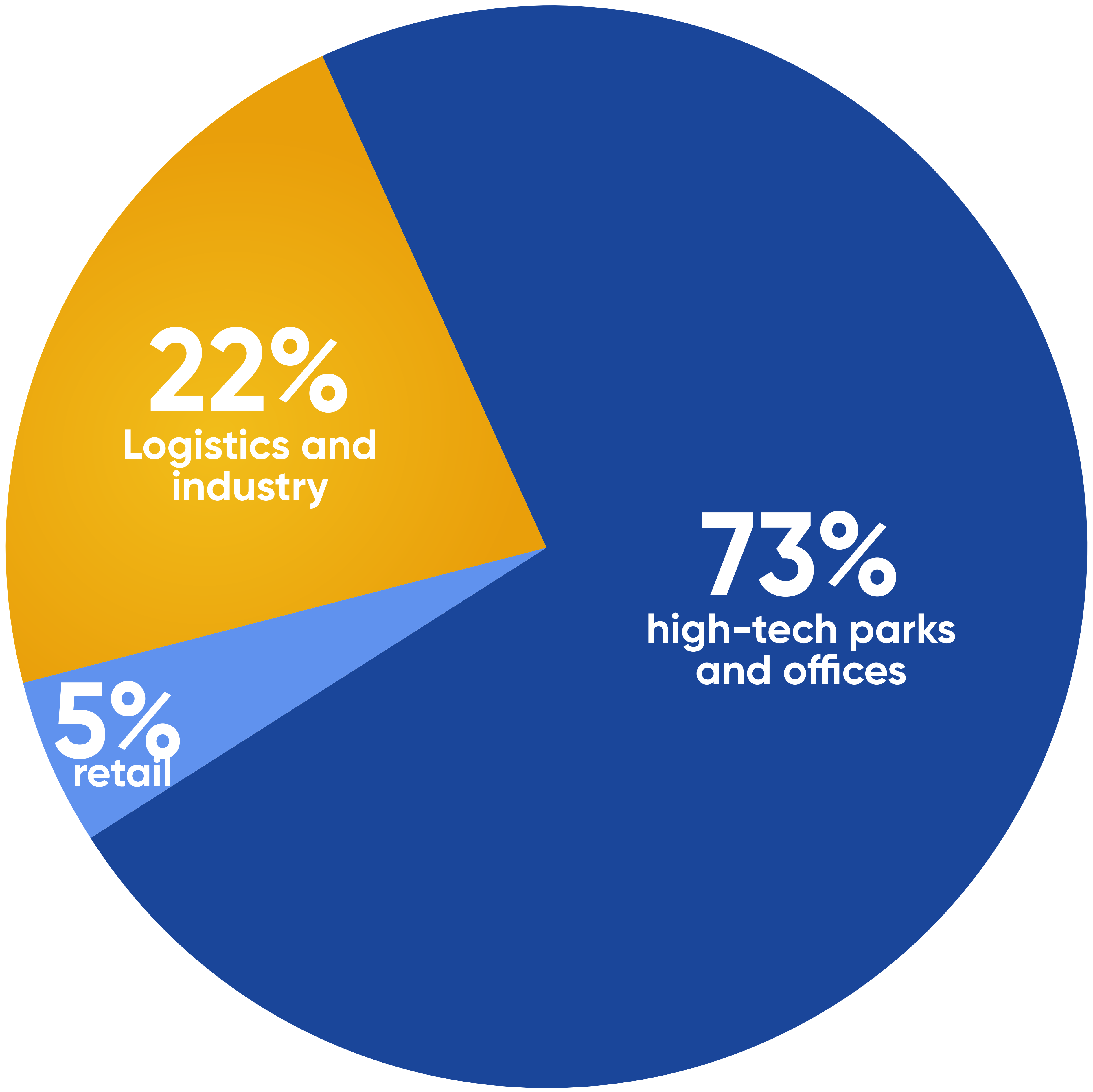
6.0% weighted average rate of return

285,000 m2

ILS **520** million

8.0% weighted average rate of return

53,000 m2



ILS **8,015** million

6.6% weighted average rate of return

822,000 m2

GAV YAM

The Company's Customers

18
cities

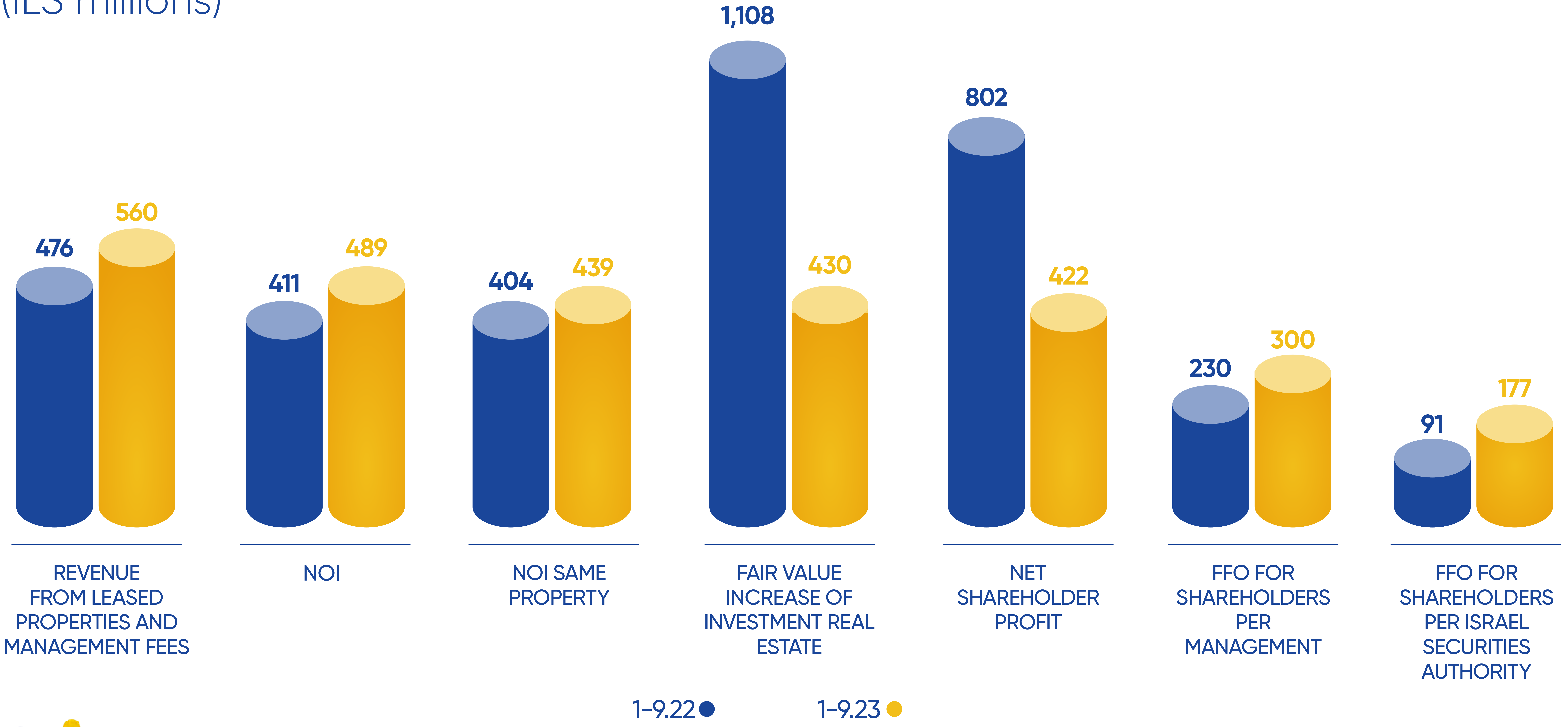
22
high-tech, logistics and industry parks

98%
occupancy rate

FINANCIAL DATA

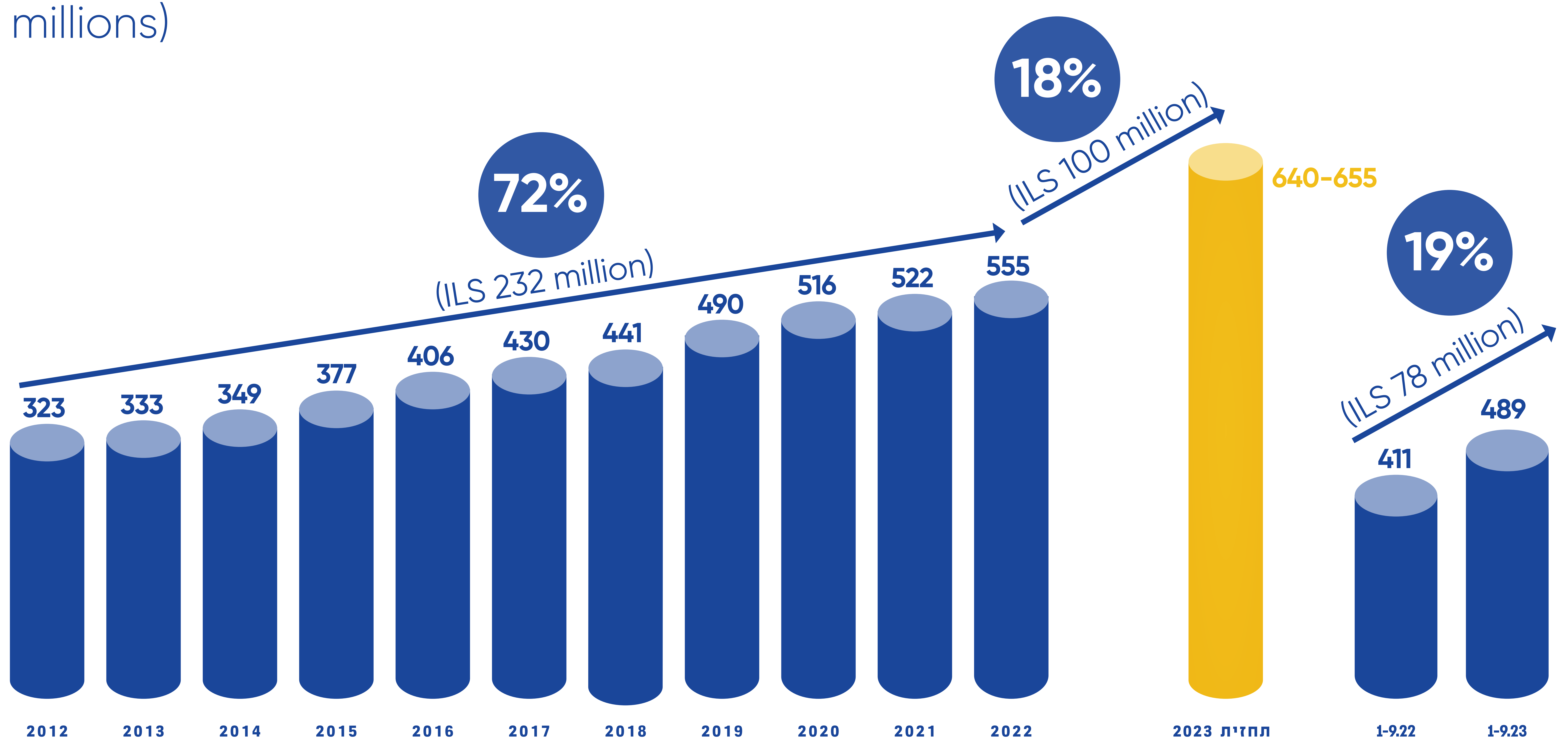
Financial results for Jan-Sep 2023

(ILS millions)



Growth in NOI

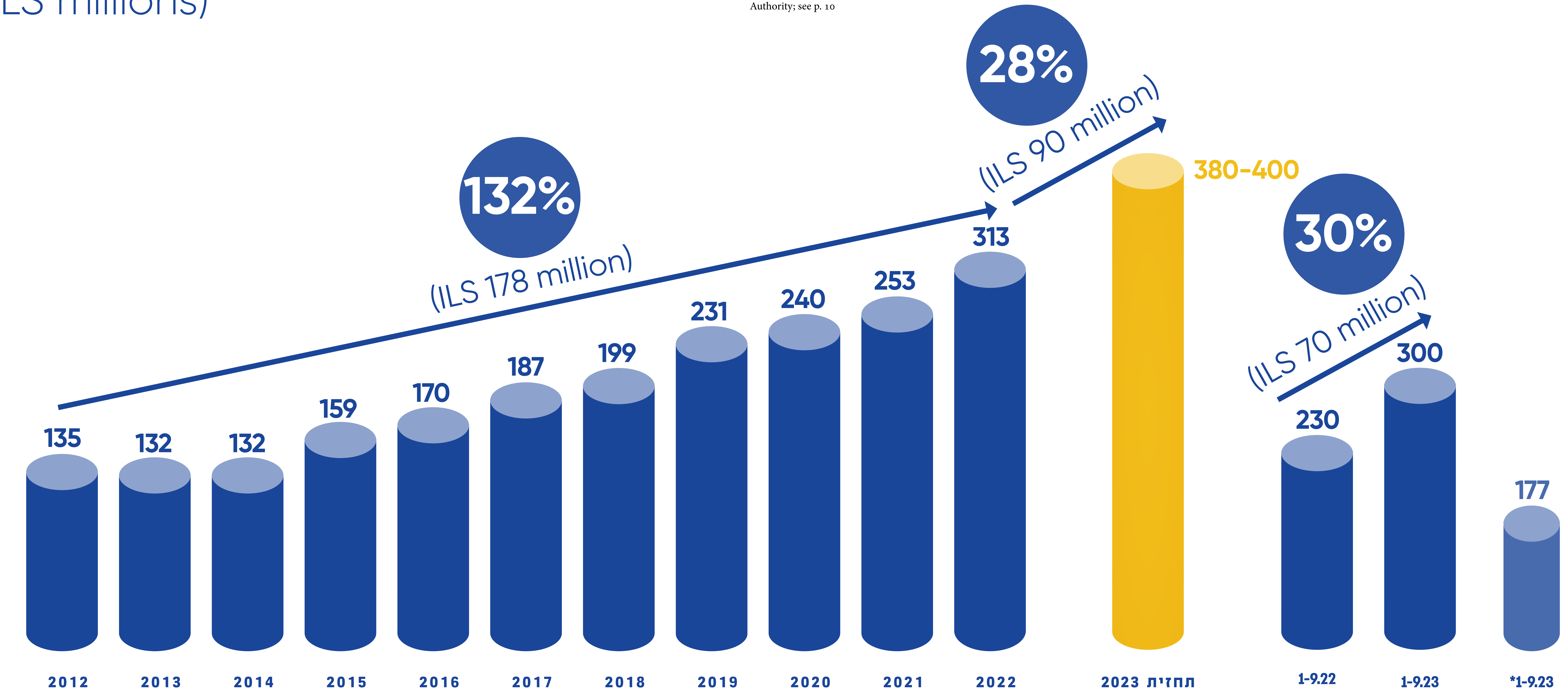
(ILS millions)



Growth in FFO for shareholders per management

(ILS millions)

FFO per Israel Securities *
Authority; see p. 10

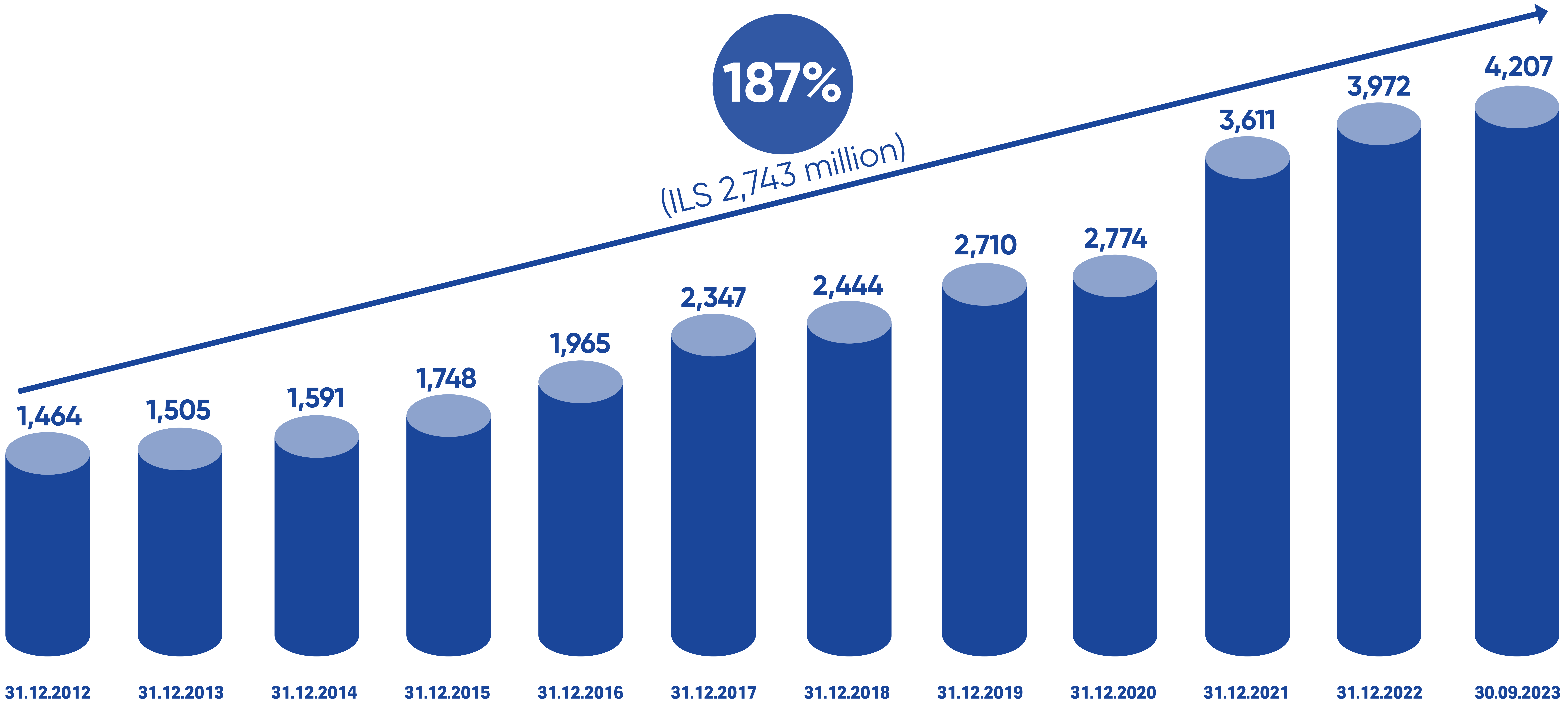


* FFO per Israel Securities Authority; see p. 10

GAV YAM

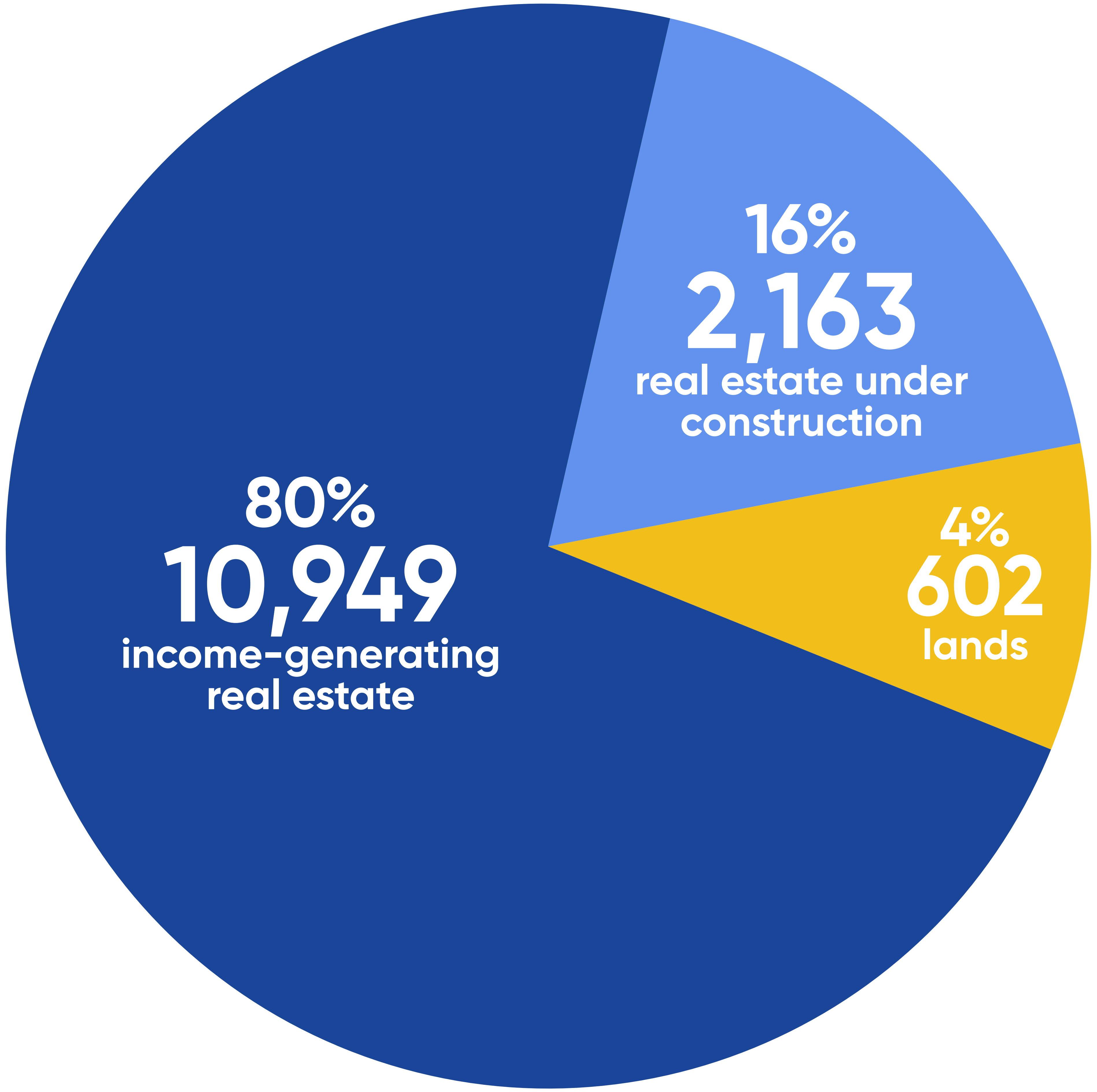
Shareholder equity

(ILS millions)



Distribution of real estate value for investment (ILS 13,714 million)

As of 30 Sep 2023

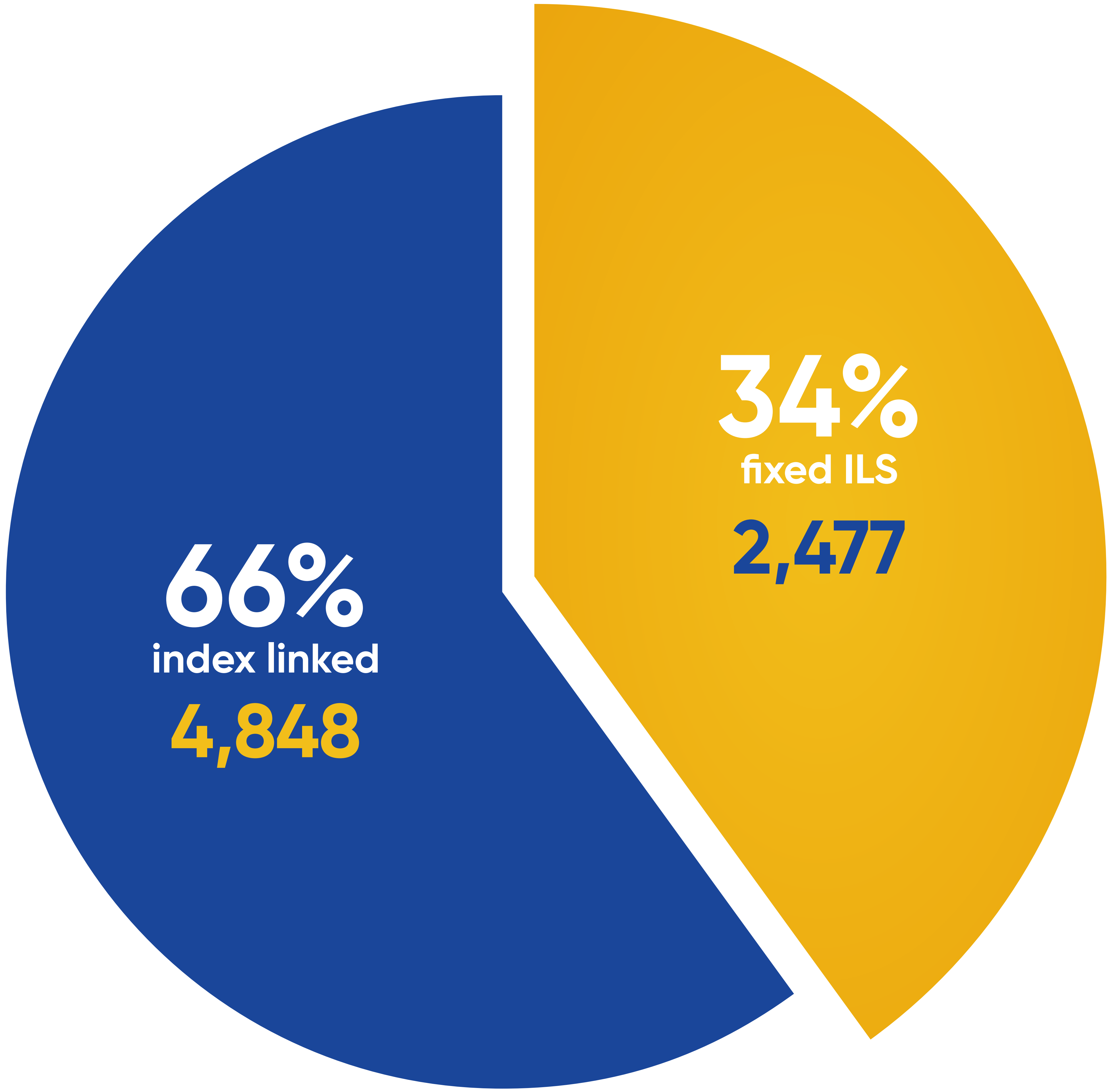


Gross financial debt (ILS 7,325 million)

As of 30 Sep 2023

1.3%
weighted effective interest, index-linked

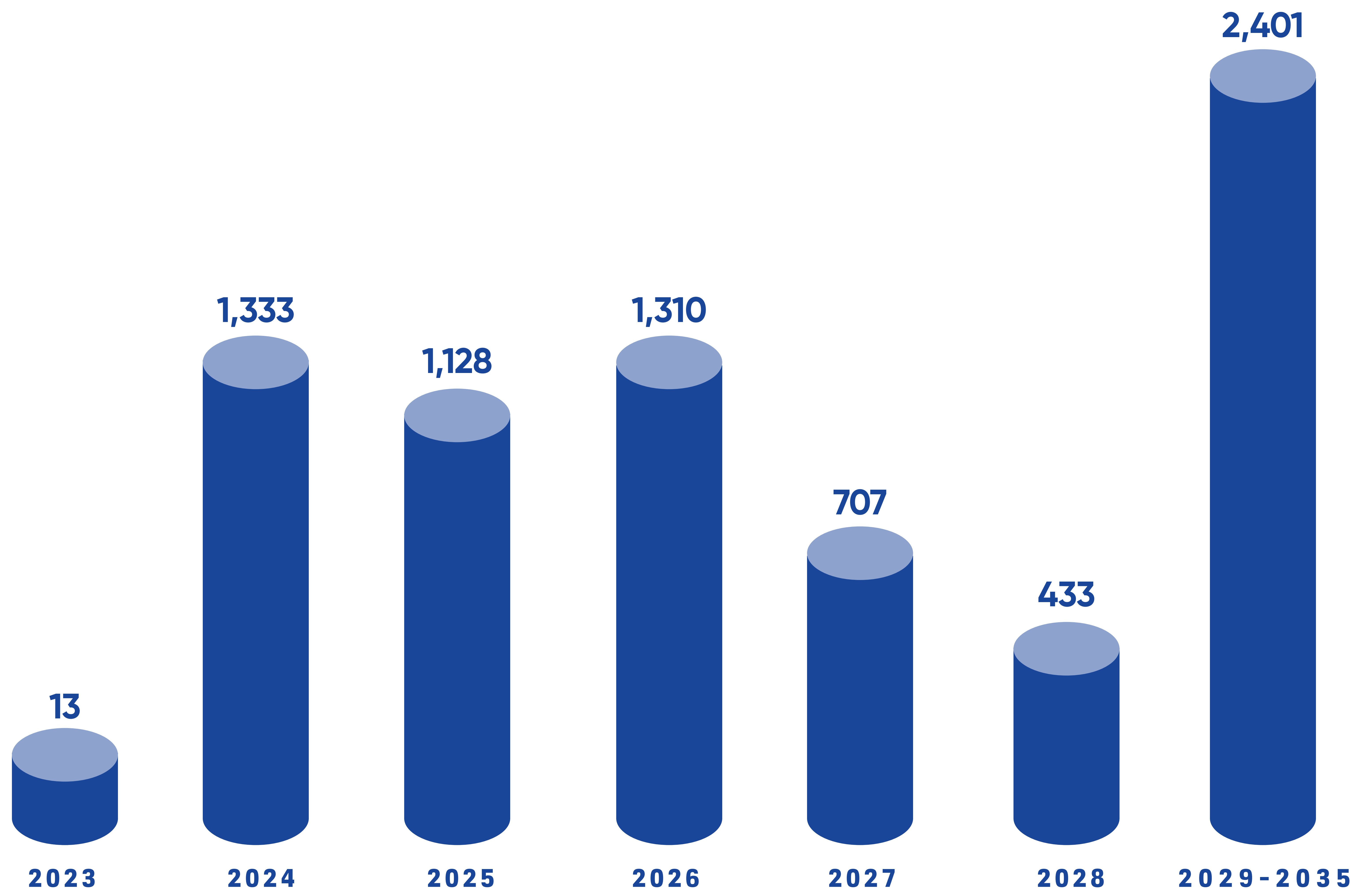
3.7
weighted duration in years



Debt principal repayment schedule

(ILS millions)

As of 30 Sep 2023



GAV YAM

Financial data

(ILS millions)

Consolidated

	1-9/2023	1-9/2022	Change in %
NOI	**489**	**411**	**19**
Same Property NOI	**439**	**404**	**9**
Increase in fair value of investment real estate	**430**	**1,108**	**(61)**
Cashflows from current activity	**443**	**333**	**33**
Net profit for shareholders*	**422**	**802**	**(47)**
FFO for shareholders per management*	**300**	**230**	**30**
FFO for shareholders per Israel Securities Authority*	**177**	**91**	**95**

*Share attributed to shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)

Financial data
(ILS millions)

Consolidated

	30/09/2023	31/12/2022
Liquid Assets	**663**	**1,616**
Fair value of investment property of which:	**13,714**	**12,353**
Real estate under construction	**2,163**	**1,908**
Land	**602**	**608**
Income-generating real estate	**10,949**	**9,837**
Other properties	**438**	**521**
Total assets	**14,815**	**14,490**

Financial data

(ILS millions)

Consolidated

	30/09/2023	31/12/2022
Financial debt, gross	**7,325**	**7,494**
Other liabilities	**346**	**284**
Reserve for deferred taxes	**1,647**	**1,569**
Equity attributed to shareholders	**4,207**	**3,976**
Non-controlling interests*	**1,290**	**1,167**
Total equity and liabilities	**14,815**	**14,490**

*Share attributed to shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)

Financial data

(ILS millions)

	30/09/2023	31/12/2022	Change in %
Investment real estate	**13,714**	**12,353**	**11**
Net financial debt	**6,662**	**5,878**	**14**
Leverage rate	**54.8%**	**53.3%**	**2**
Shareholder equity	**4,207**	**3,976**	**6**

Financial data
(ILS millions)

Standalone extended*

	1-9/2023	1-9/2022	Change in %
NOI	**399**	**340**	**17**
Same Property NOI	**366**	**333**	**10**
Increase in fair value of investment real estate	**298**	**885**	**(66)**
Net financing expenses	**177**	**213**	**(17)**
Tax expenses	**71**	**183**	**(61)**
Net profit	**422**	**802**	**(47)**
FFO to shareholders per management*	**300**	**230**	**30**
FFO to shareholders per Israel Securities Authority*	**177**	**91**	**95**

*Standalone extended = share attributed to shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)

Financial data
(ILS millions)

Standalone extended*

	30/09/2023	31/12/2022
Liquid assets	**545**	**1,459**
Fair value of investment property of which:	**11,515**	**10,398**
Real estate under construction	**2,065**	**1,664**
Land	**453**	**464**
Income-generating real estate	**8,998**	**8,270**
Other properties	**398**	**486**
Total assets	**12,458**	**12,343**

*Standalone extended = share attributed to shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)

Financial data
(ILS millions)

Standalone extended*

	30/09/2023	31/12/2022
Financial debt, gross	**6,835**	**7,036**
Other liabilities	**80**	**46**
Reserve for deferred taxes	**1,336**	**1,285**
Equity	**4,207**	**3,976**
Total capital and liabilities	**12,458**	**12,343**

*Standalone extended = share attributed to shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)

PROJECTS IN DEVELOPMENT

Financial data

(ILS millions)

around 56% of the total aboveground areas of the projects under construction have been marketed

Consolidated

		Above-ground	Parking lot	Total	Holding rate	Total	Construction costs (including land)	Other costs as of 30 Sep 2023	Annual representative leasing revenue ILS millions	Rate of marketed aboveground area	Revenue for marketed aboveground area	Completion date
		Area (m2 thousands) - 100%				Consolidated area (m2 thousands)	In consolidated statements (ILS millions)					
1	Matam East Towers #3	30	13	43	100%	43	335	263	31	-	-	Q3/25
2	Gav-Yam Park Raanana	40	33	73	69.5%	51	412	76	29	35%	10	Q4/23
3	Gav-Yam Hebrew Campus #1,2	57	32	89	66%	59	689	369	51	41%	21	Q3/24
4	Gav-Yam O2	38	22	60	100%	60	667	389	43	100%	43	Q4/25
5	TOHA 2	160	45	205	50%	103	1,550	1,047	140	33%	53	Q4/26
6	Gav-Yam Park Holon - Building #3	22	22	44	100%	44	346	150	21	88%	18	Q2/24
7	Gav-Yam Ashkelon Rav Bariach #2	55	-	55	100%	55	397	330	24	100%	24	Q1/26
8	Gav-Yam Park Negev #5	15	-	15	100%	15	107	87	9	21%	2	Q1/25
9	Gav-Yam Park Rehovot #5	24	15	39	72%	28	195	132	14	63%	9	Q1/25
10	10 Matam Park – Temporary Parking (Server Farms)*	-	21	21	100%	21	80	43	5	-	-	Q1/25
11	PV installations	-	-	-	100%	-	35	20	6	-	-	Q3/24
12	Gav-Yam Haifa Bay #5	8	-	8	100%	8	66	29	5	100%	5	Q3/24
Total		**449**	**203**	**652**	**-**	**487**	**4,879**	**2,935**	**378**		**185**	

*Server farms constructed per demand

- Total construction costs without land cost ILS 3,868 million
- Representative rate of return 7.7%
- Addition of ILS 378 million to the company's revenue, of which ILS 185 million for marketed projects.
- The marketed areas include LOI executed in project ToHa2

Financial data

(ILS millions)

around 56% of the total aboveground areas of the projects under construction have been marketed

Standalone extended*

#	Project	Above-ground	Parking lot	Total	Construction costs (including land)	Other costs as of 30 Sep 2023	Annual representative leasing revenue ILS millions	Rate of marketed aboveground area	Revenue for marketed aboveground area	Completion date
		Area (m2 thousands) - 100%			In consolidated statements (ILS millions)					
1	Matam East Towers #3	15	7	22	168	132	15	-	-	Q3/25
2	Gav-Yam Park Raanana	28	23	51	412	76	29	35%	10	Q4/23
3	Gav-Yam Hebrew Campus #1,2	38	21	59	689	369	51	41%	21	Q3/24
4	Gav-Yam O2	38	22	60	667	389	43	100%	43	Q4/25
5	TOHA 2	80	23	103	1,550	1,047	140	33%	53	Q4/26
6	Gav-Yam Park Holon - Building #3	22	22	44	346	150	21	88%	18	Q2/24
7	Gav-Yam Ashkelon Rav Bariach #2	39	-	39	278	231	17	100%	17	Q1/26
8	Gav-Yam Park Negev #5	11	-	11	78	64	7	21%	1	Q1/25
9	Gav-Yam Park Rehovot #5	17	11	28	195	132	14	63%	9	Q1/25
10	Matam Park – Temporary Parking (Server Farms)*	-	11	11	40	21	3	-	-	Q1/25
11	PV installations	-	-	-	135	20	6	-	-	Q3/25
12	Gav-Yam Haifa Bay #5	8	-	8	66	29	5	100%	5	Q3/24
Total		**296**	**140**	**436**	**4,624**	**2,660**	**351**		**177**	

*Server farms constructed per demand

- ● Standalone extended = portion attributed to the shareholders (Matam 50.1%, Gav-Yam Negev 73.25%)
- ●● Total construction costs without land cost ILS 3,559 million
- ●●● representative rate of return 7.7% (without rate of return of server farms)
- ●●●● occupancy of ILS 351 million to the company's revenue, of which ILS 177 million for marketed projects.
- ●●●●● the marketed areas include LOI executed in project ToHa2

GAV YAM

GAV YAM MATAM

MATAM Towers East #3

Area
42,500 m2

of which
29,500 m2
aboveground

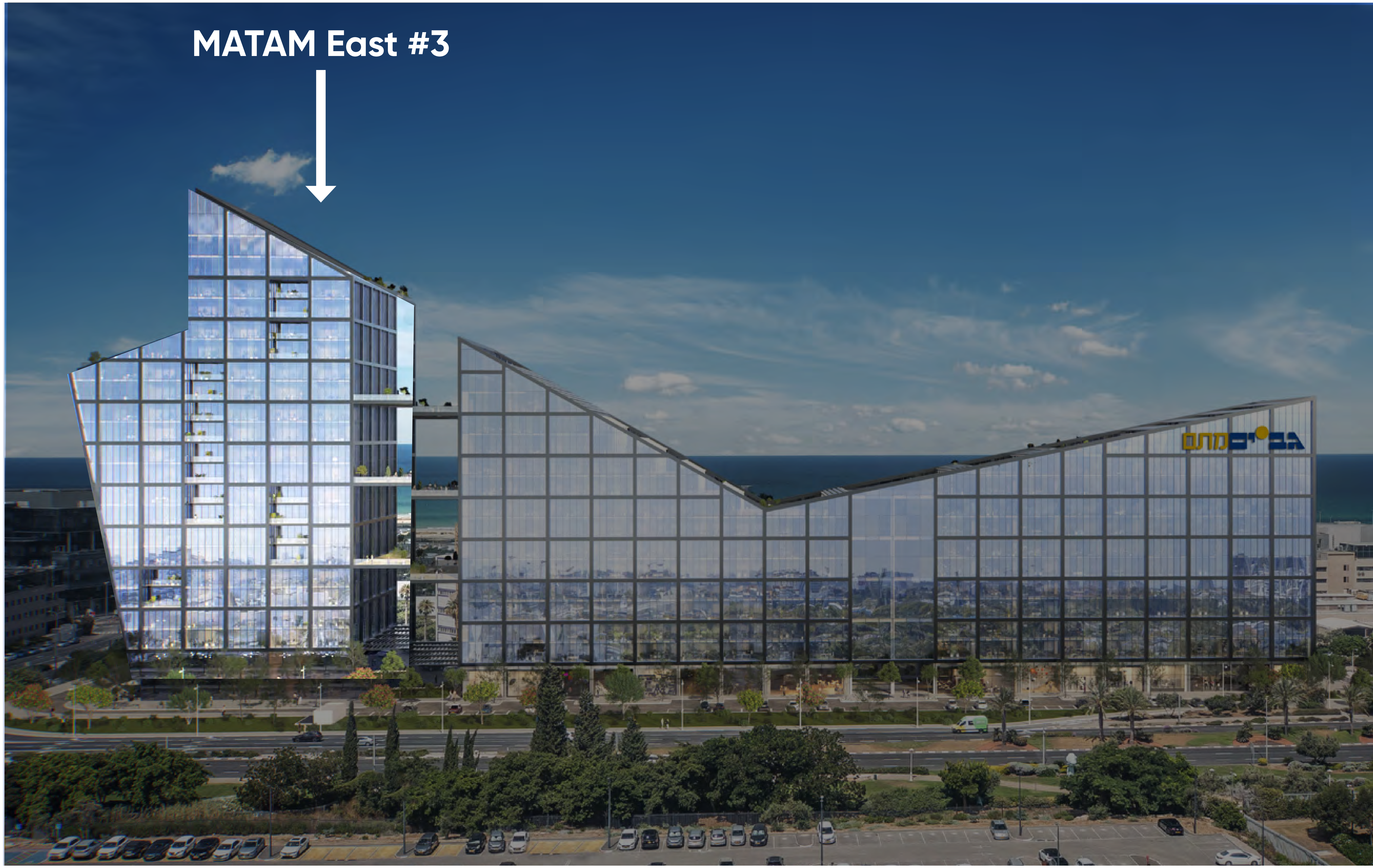
Completion date
Q3 2025

Total cost
ILS 335 million

NOI
ILS 31 million

Return
9.3%

Figures are 100%
(Gav Yam's share 50.1%)



* The images are for illustration purposes only

GAV YAM RAANANA

Area

72,600 m2

(50,400 m2 company's share)

of which

40,000 m2

aboveground

(28,000 m2 company's share)

Completion date

Q4 2023

Total cost (company's share)

ILS 412 million

NOI

ILS 29 million

Return

7.1%

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GAV YAM HEBREW CAMPUS

Area

89,000 m2

(59,000 m2 company's share)

of which

57,000 m2

aboveground

(38,000 m2 company's share)

Completion date

Q4 2024

Total cost (company's share)

ILS 689 million

NOI

ILS 51 million

Return

7.4%

* The images are for illustration purposes only

Area
60,000 m2

of which
38,000 m2
aboveground

Completion date
Q4 2025

Total cost
ILS 667 million

NOI
ILS 43 million

Return
6.4%

fully marketed to an international company

* The images are for illustration purposes only

ToHaTwo

Area
205,000 m2

of which
160,000 m2
aboveground

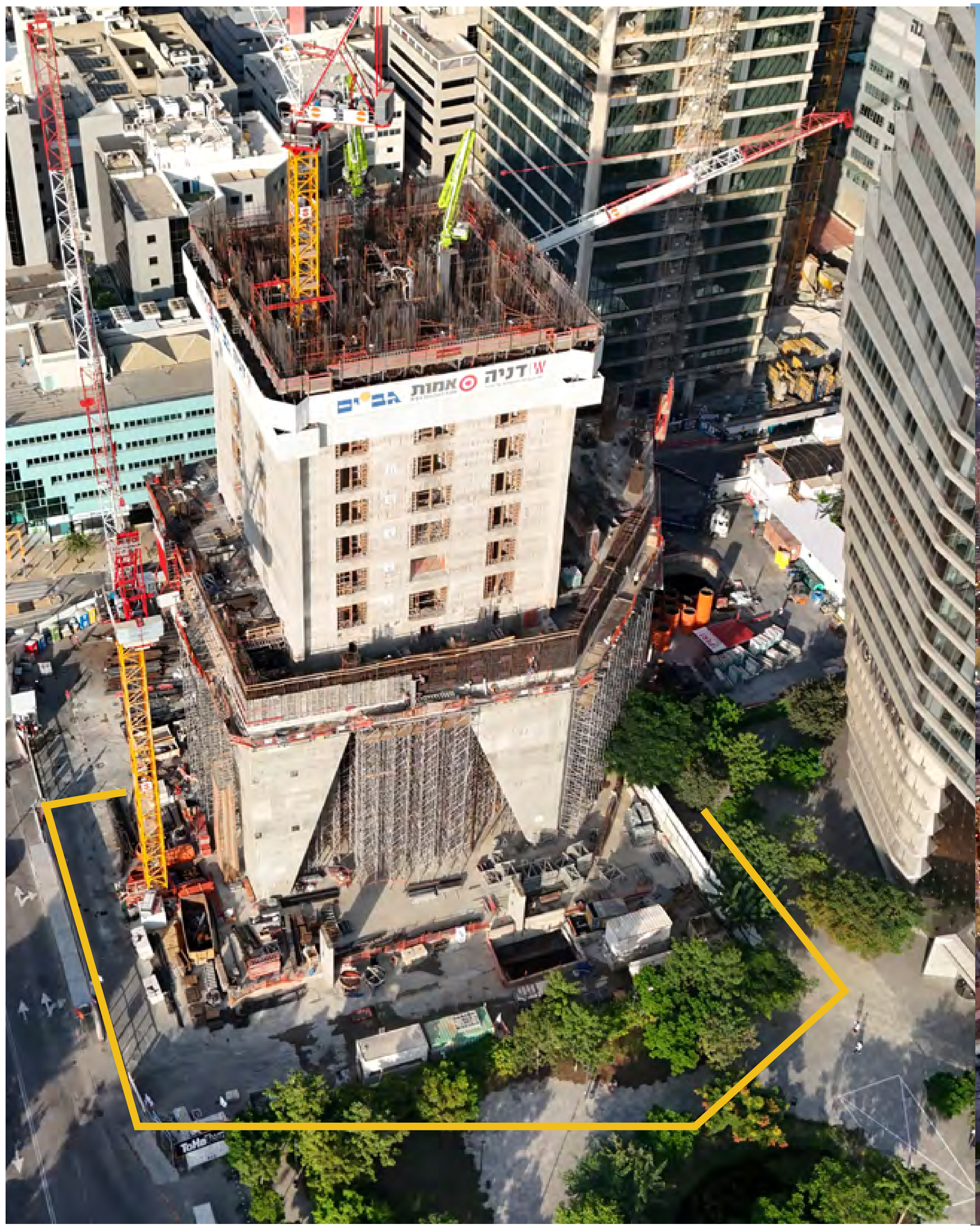
Completion date
Q4 2026

Total cost
ILS 3.1 billion

NOI
ILS 280 million

Return
9.0%

Figures are 100%
(Gav Yam's share 50%)



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GAV YAM HOLON

Building #3

Area

44,000 m2

of which

22,000 m2

aboveground

Completion date

Q2 2024

Total cost

ILS 346 million

NOI

ILS 21 million

Return

5.9%

88% marketed to Government Complex

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GAV YAM HAIFA BAY 5#

Building #5

Area

7,800 m2

Completion date

Q3 2024

Total cost

ILS 66 million

NOI

ILS 5 million

Return

7.0%

* The images are for illustration purposes only

GAV YAM ASHKELON

Rav Bariach #2

Area
55,000 m2

Completion date
Q1 2026

Total cost
ILS 397 million

NOI
ILS 24 million

Return
6.0%

Figures are 100%
(Gav-Yam's share 70.0%)

* The images are for illustration purposes only

GAV YAM NEGEV 5

Area
15,000 m2

Completion date
Q1 2025

Total cost
ILS 107 million

NOI
ILS 9 million

Return
8.5%

Figures are 100%
(Gav-Yam's share 73.25%)

21% marketed to
international fund

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GAV YAM REHOVOT

Building #5

Area

39,000 m2

(28,000 m2 company's share)

of which

24,000 m2

aboveground

(17,000 m2 company's share)

Completion date

Q1 2025

Total cost (company's share)

ILS 195 million

NOI

ILS 14 million

Return

7.2%

* The images are for illustration purposes only

URBAN BUILDING PLANS

GAV YAM HERZLIYA NORTH

Current status

55,000 m2

constructed (excluding O2)

Planned status

400

residential units

45,000 m2

business

GAV YAM HERZLIYA NORTH

Current status

55,000 m2

constructed (excluding O2)

Planned status

400

residential units

45,000 m2

business

* The images are for illustration purposes only

GAV YAM HISTORIC REHOVOT

Current status

5,000 m2

Planned status

400

residential units

50,000 m2

business

10,000 m2

retail

GAV YAM HISTORIC REHOVOT

Current status

5,000 m2

Planned status

400
residential units

50,000 m2
business

10,000 m2
retail

* The images are for illustration purposes only

GAV YAM ACRE

Current status

GAV YAM ACRE

Planned status

About 1,000

residential units

* The images are for illustration purposes only

*ההדמיה להמחשה בלבד

GAV YAM HOLON

Current status
60,000 m2
constructed

Planned status
850
residential units

500,000 m2
business

60,000 m2
industry and retail

GAV YAM HOLON

Current status
60,000 m2
constructed

Planned status
850
residential units

500,000 m2
business

60,000 m2
industry and retail

* The images are for illustration purposes only

GAV YAM

Forward-looking information

This presentation includes forecasts, assessments, estimates and other information relating to future events and matters, while there is uncertainty regarding the degree to which they might materialize and which are outside the company's exclusive control (forward-looking information).
The main facts and figures that served as the basis for this information relate to the current state of the company and its business, to the current state of company's areas of activity, fields of activity, and macroeconomic facts and data, all as known to the company at the time of preparing this presentation. Materialization of forward-looking information shall be affected by the risk factors that characterize the company's activity, as well as developments in the economic environment and external factors that impact the company's activity, which cannot be projected and are naturally outside the company's control.