

## **G City Ltd. announces a mandatory public cash tender offer for all the outstanding shares and stock options in Citycon Oyj**

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## **G City Ltd. announces a mandatory public cash tender offer for all the outstanding shares and stock options in Citycon Oyj**

G City Ltd. ("**G City**" or the "**Offeror**") published a stock exchange release on 3 November 2025 regarding its share purchase made on 3 November 2025, through which it acquired a total of 14,182,052 shares in Citycon Oyj ("**Citycon**" or the "**Company**"). As a result of the share purchase, G City's shareholding in Citycon, together with the shares held by G City's fully owned subsidiary, Gazit Europe Netherlands BV ("**Gazit Europe Netherlands**") and Chaim Katzman, exceeded 50 per cent of the voting rights carried by shares in Citycon, thereby obligating G City to launch a mandatory public tender offer for all other shares and securities issued by Citycon entitling to shares in Citycon in accordance with Chapter 11, Section 19 of the Finnish Securities Market Act (746/2012, as amended, "**SMA**"). As of the date of this announcement, G City, Gazit Europe Netherlands and Chaim Katzman hold in aggregate 106,678,704 shares in the Company, corresponding to approximately 58.11 per cent of all outstanding shares and voting rights in the Company.

G City hereby announces a mandatory public cash tender offer for all the issued and outstanding shares in Citycon that are not held by Citycon or any of its subsidiaries (the "**Shares**") and for all the issued and outstanding stock options in Citycon that are not held by Citycon or any of its subsidiaries (the "**Stock Options**") (the "**Tender Offer**"). Holders of the Shares will be offered a cash consideration of EUR 4.00 for each Share validly tendered in the Tender Offer (the "**Share Offer Price**"). Holders of the Stock Options will be offered a cash consideration for each Stock Option validly tendered in the Tender Offer as described in the section "The Tender Offer in Brief" below.

### **KEY HIGHLIGHTS AND SUMMARY OF THE TENDER OFFER**

- The Share Offer Price is EUR 4.00 in cash for each Share validly tendered in the Tender Offer, subject to any adjustments as set out in section "The Tender Offer in Brief" below.
- Holders of the Stock Options will be offered a cash consideration for each Stock Option validly tendered in the Tender Offer as described in the section "The Tender Offer in Brief" below.
- The Share Offer Price represents a premium of approximately:
  - 35.8 per cent compared to the closing price (EUR 2.95) of the Share on the official list of Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") on 31 October 2025, the last day of trading preceding the triggering of the obligation to launch the Tender Offer;

- 18.9 per cent compared to the volume-weighted average trading price (EUR 3.36) of the Share on the official list of Nasdaq Helsinki during the three (3) months preceding the triggering of the obligation to launch the Tender Offer; and
- 17.6 per cent compared to the volume-weighted average trading price (EUR 3.40) of the Share on the official list of Nasdaq Helsinki during the twelve (12) months preceding the triggering of the obligation to launch the Tender Offer.
- The obligation of the Offeror to complete the Tender Offer is conditional upon the receipt of all necessary regulatory approvals, permits and consents required under any applicable competition laws or other regulatory laws in any jurisdiction for the completion of the Tender Offer on or prior to the date of the Offeror's announcement of the final result of the Tender Offer.
- The completion of the Tender Offer is not expected to have any immediate material effects on the operations, business locations or assets, or the position of the management or employees of Citycon.
- The Offeror has secured the required financing to finance the Tender Offer at completion in accordance with its terms and conditions, and subsequent compulsory redemption proceedings, if any, in accordance with the Finnish Companies Act (624/2006, as amended, the "**Finnish Companies Act**").
- The Offeror expects to publish a tender offer document (the "**Tender Offer Document**") with detailed information on the Tender Offer on 31 December 2025 at the latest. The offer period under the Tender Offer is expected to commence on or about 2 January 2026, and to expire on or about 16 February 2026, unless the Offeror extends the offer period in order to satisfy the receipt of necessary regulatory approvals for the completion of the Tender Offer. The Tender Offer is currently expected to be completed during the first quarter of 2026.

## **ABOUT G CITY LTD.**

G City is a limited liability company, incorporated and existing under the laws of Israel, domiciled in Tel Aviv, Israel. G City's shares are listed on the Tel Aviv Stock Exchange Ltd. G City is a global real estate company focused on acquiring, improving, developing, and managing mixed use income producing real estate including retail, office and residential properties in densely populated urban areas in key cities. As of September 30, 2025, the group owns and manages 87 properties covering a built-up lettable area of approx. 1.8 million square meters with a value of approx. 32 billion Israeli shekels (including Citycon's assets).

## **BACKGROUND AND STRATEGIC RATIONALE**

G City has been a long-term investor in the Company since 2004 and believes that its extensive expertise in mixed-use income producing properties in urban areas, combined with its financial resources and strategic vision, positions it to better develop the Company's long-term growth strategy. G City has strong belief in Citycon's assets and their quality, which are in line with G City's portfolio and strategy. In addition, G City's experience managing similar assets across multiple jurisdictions, access to capital, and long-term investment horizon enable it to pursue strategic initiatives and value-enhancing opportunities.

The completion of the Tender Offer is not expected to have any immediate material effects on the operations, business locations or assets, or the position of the management or employees of Citycon.

## **THE TENDER OFFER IN BRIEF**

G City has, through a share purchase made on 3 November 2025, acquired a total of 14,182,052 Shares in Citycon. The price paid for the acquired Shares was EUR 4.00 per Share, which is also the highest price paid by G City (or parties acting in concert with it in accordance with Section 5, Chapter 11 of the SMA) for Shares in Citycon within the last six (6) months. As a result of the share purchase, G City's shareholding in Citycon together with the Shares held by G City's fully owned subsidiary, Gazit Europe Netherlands and Chaim Katzman, exceeded 50 per cent of the voting rights carried by Shares in Citycon, thereby obligating G City to launch the Tender Offer in accordance with Chapter 11, Section 19 of the SMA. After the share purchase, G City has acquired a total of 1,120,702 Shares in Citycon through market purchases, all of which have been made at prices below the Share Offer Price.

The Offeror undertakes to comply with the Helsinki Takeover Code issued by the Finnish Securities Market Association (the "**Helsinki Takeover Code**").

As at the date of this announcement, Citycon has a total of 183,569,011 issued shares, all of which are outstanding Shares, and a total of 894,924 outstanding Stock Options, comprising of 298,308 Stock Options 2025D, 298,308 Stock Options 2025E and 298,308 Stock Options 2025F. The Company has informed the Offeror that the applicable subscription periods under Stock Option Plan 2022A-D will end on 31 December 2025, prior to the expected commencement of the offer period under the Tender Offer, and that there are no outstanding Stock Options in Stock Option Plan 2024 and Stock Option Plan 2024A-C and, accordingly, the Tender Offer is not extended to such stock options. Based on the information made publicly available by Citycon as of the date of this announcement, neither Citycon nor its subsidiaries hold any treasury shares. As at the date of this announcement, G City holds 70,276,770 Shares in Citycon, representing approximately 38.28 per cent of all Shares in Citycon, and Citycon's fully owned subsidiary, Gazit Europe Netherlands, holds 36,285,000 Shares in Citycon, representing 19.77 per cent of all Shares in Citycon. Chaim Katzman, who exercises ultimate control in the G City group, holds 116,934 Shares in Citycon, representing approximately 0.06 per cent of all Shares in Citycon.

G City reserves the right, to the extent permitted by applicable laws and regulations, to acquire Shares and Stock Options in public trading on Nasdaq Helsinki or otherwise before the commencement of the offer period, during the offer period, and/or after the offer period of the Tender Offer or otherwise outside the Tender Offer.

## **The Share Offer Price and the Option Offer Prices**

The Share Offer Price is EUR 4.00 in cash for each Share validly tendered in the Tender Offer, subject to any adjustments as set out below. The Tender Offer values Citycon's total outstanding equity at approximately EUR 734 million.

The Share Offer Price represents a premium of approximately:

- 35.8 per cent compared to the closing price (EUR 2.95) of the Share on the official list of Nasdaq Helsinki on 31 October 2025, the last day of trading preceding the triggering of the obligation to launch the Tender Offer;
- 18.9 per cent compared to the volume-weighted average trading price (EUR 3.36) of the Share on the official list of Nasdaq Helsinki during the three (3) months preceding the triggering of the obligation to launch the Tender Offer; and
- 17.6 per cent compared to the volume-weighted average trading price (EUR 3.40) of the Share on the official list of Nasdaq Helsinki during the twelve (12) months preceding the triggering of the obligation to launch the Tender Offer.

The price offered for each Stock Option validly tendered in the Tender Offer is EUR 0.38 in cash for each outstanding Stock Option 2025D (the “**Option 2025D Offer Price**”), EUR 0.38 in cash for each outstanding Stock Option 2025E (the “**Option 2025E Offer Price**”) and EUR 0.38 in cash for each outstanding Stock Option 2025F (the “**Option 2025F Offer Price**”, together with the Option 2025D Offer Price and the Option 2025E Offer Price, the “**Option Offer Prices**”), subject to any adjustments as set out below.

The Share Offer Price has been determined based on 183,569,011 issued and outstanding Shares. The Option 2025D Offer Price has been determined based on 298,308 issued and outstanding Stock Options 2025D, the Option 2025E Offer Price has been determined based on 298,308 issued and outstanding Stock Options 2025E and the Option 2025F Offer Price has been determined based on 298,308 issued and outstanding Stock Options 2025F.

Should the Company increase the number of Shares that are issued and outstanding on the date hereof as a result of a new share issue, reclassification, stock split or any other similar transaction, or should the Company distribute a dividend or otherwise distribute funds or any other assets to its shareholders, or if a record date with respect to any of the foregoing occurs prior to any of the settlements of the completion trades (whether after the expiry of the offer period or during or after any subsequent offer period), the Offeror reserves the right to adjust the Share Offer Price and the Option Offer Prices payable by the Offeror on a euro-for-euro basis.

### **The Offer Period**

The offer period under the Tender Offer is expected to commence on or about 2 January 2026 and expire on or about 16 February 2026.

The Offeror reserves the right to extend the offer period from time to time in accordance with, and subject to, the terms and conditions of the Tender Offer and applicable laws and regulations, including, in order to satisfy the receipt of all necessary regulatory, governmental or similar approvals, permits, clearances and consents from authorities or similar, required under applicable laws in any jurisdiction for the completion of the Tender Offer. The Tender Offer is currently expected to be completed during the first quarter of 2026.

The detailed terms and conditions of the Tender Offer as well as instructions on how to accept the Tender Offer will be included in the Tender Offer Document, which the Offeror expects to publish on 31 December 2025 at the latest.

## **Regulatory Condition for Completion of the Tender Offer**

The obligation of the Offeror to complete the Tender Offer is conditional upon the receipt of all necessary regulatory approvals, permits and consents required under any applicable competition laws or other regulatory laws in any jurisdiction for the completion of the Tender Offer by the Offeror on or prior to the date of the Offeror's announcement of the final result of the Tender Offer in accordance with Chapter 11, Section 18 of the SMA.

The Offeror will, as soon as reasonably practicable, make all material and customary submissions, notifications and filings required to obtain all necessary regulatory approvals, permits, clearances and consents from authorities or similar, including without limitation approvals required under applicable foreign direct investment laws, required under applicable regulatory laws in any jurisdiction for the completion of the Tender Offer. Currently the Offeror has identified Swedish foreign direct investment clearance as the only necessary regulatory approval for the completion of the Tender Offer.

Based on currently available information, the Offeror expects to obtain such necessary regulatory approvals to complete the Tender Offer during the first quarter of 2026. The Offeror will use its reasonable best efforts to obtain such regulatory approvals. However, the length and outcome of the regulatory approval process are not within the control of the Offeror, and there can be no assurances that clearances will be obtained within the estimated timeframe, or at all.

## **Financing**

The Tender Offer is fully financed by a combination of cash funds available to the Offeror and debt financing provided by an Israeli bank to the Offeror pursuant to a financing agreement.

The debt financing has been committed, subject to the following conditions normally used on the financial markets:

- a) the provision of certain customary documentary and commercial conditions precedent, which are in the control of the Offeror,
- b) the completion of the Tender Offer,
- c) compliance by the Offeror with certain provisions relating to security arrangements, which are in the control of the Offeror,
- d) no material adverse change in the financial condition of the Offeror has occurred since 27 November 2025, the date of its latest release of financial statements,
- e) the representations and warranties that the Offeror has made to the bank remain accurate, including representations as to the company's continued solvency and compliance with laws,
- f) the Offeror complies with its undertakings under the loan agreement, including but not limited to meeting certain financial covenants (including with regard to the Offeror's shareholder equity, the Offeror's and Citycon's debt to assets ratio and the Offeror's interest coverage ratio), and no event of default under the financing agreement has occurred (that is, G City remains in compliance with its obligations under the financing agreement as well as its other contractual obligations, and no event occurs that would render it insolvent or threaten its continued financial stability), and

- g) it has not become illegal or prohibited for the bank to make available or allow to remain outstanding the debt financing, or to enforce its rights under the loan agreement.

The Offeror's obligation to complete the Tender Offer is not conditional upon availability of debt financing.

#### **Future plans concerning the Shares and Stock Options**

The Offeror offers to acquire all the Shares and Stock Options. If, as a result of the completion of the Tender Offer or otherwise, the Offeror's ownership has exceeded 90 per cent of all Shares and votes in the Company, the Offeror may commence compulsory redemption proceedings for all the remaining Shares in accordance with the Finnish Companies Act. If the Offeror would decide to commence such proceedings, the Offeror would thereafter apply for the Citycon shares to be delisted from Nasdaq Helsinki, as soon as permitted and reasonably practicable under the applicable laws and regulations and the rules of Nasdaq Helsinki. In connection with any such redemption proceedings, the Offeror would also acquire the Stock Options which have not been validly tendered in the Tender Offer, or otherwise acquired by the Offeror, in accordance with the terms and conditions of such Stock Options.

If, as a result of completion of the Tender Offer or otherwise, the Offeror's ownership does not exceed 90 per cent of all Shares and votes in the Company or in the case the Offeror would not decide to commence compulsory redemption proceedings in the event its ownership exceeds 90 per cent of all Shares and votes in the Company, the Company will continue to be listed on Nasdaq Helsinki and the Offeror intends to continue to support and develop Citycon's business operations in accordance with the highest international standards and in the best interests of all shareholders of Citycon.

#### **ADVISERS**

The Offeror has appointed Evli Plc as its financial adviser and arranger of the Tender Offer and Roschier, Attorneys Ltd. as its legal advisor in connection with the Tender Offer. Meitar Law Offices will advise the Offeror as to certain matters related to U.S. securities laws with respect to the Tender Offer.

#### **Investor and Media inquiries:**

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#### **IMPORTANT INFORMATION**

THIS RELEASE MAY NOT BE RELEASED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, OR SOUTH AFRICA, OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO SELL

OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, OR SOUTH AFRICA. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES AND STOCK OPTIONS ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND, WHEN PUBLISHED, THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED, OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAWS OR REGULATIONS. IN PARTICULAR, THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO, OR BY USE OF THE POSTAL SERVICE OF, OR BY ANY MEANS OR INSTRUMENTALITY (INCLUDING, WITHOUT LIMITATION, FACSIMILE TRANSMISSION, TELEX, TELEPHONE OR THE INTERNET) OF INTERSTATE OR FOREIGN COMMERCE OF, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, OR SOUTH AFRICA. THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, BY ANY SUCH USE, MEANS OR INSTRUMENTALITY OR FROM WITHIN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND, OR SOUTH AFRICA AND ANY PURPORTED ACCEPTANCE OF THE TENDER OFFER RESULTING DIRECTLY OR INDIRECTLY FROM A VIOLATION OF THESE RESTRICTIONS WILL BE INVALID.

THIS RELEASE HAS BEEN PREPARED IN COMPLIANCE WITH FINNISH LAW, THE RULES OF NASDAQ HELSINKI AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS ANNOUNCEMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF JURISDICTIONS OUTSIDE OF FINLAND.

#### **Information for shareholders and holders of Stock Options of Citycon in the United States**

Shareholders and Stock Option holders of Citycon in the United States are advised that the Shares are not listed on a U.S. securities exchange and that Citycon is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “**SEC**”) thereunder.

The Tender Offer will be made for the issued and outstanding Shares and Stock Options of Citycon, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is expected to be made in the United States pursuant to Section 14(e) of, and Regulation 14E, under the Exchange Act, subject to the exemption provided under Rule 14d-1(d) under the Exchange Act, for a Tier II tender offer and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those applicable under the tender offer procedures and laws of the United States for domestic offers. In particular, the financial information included in this announcement has been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies. The Tender Offer is made to Citycon’s shareholders and Stock Option holders resident in the United States on the same terms and conditions as those made to all other shareholders and Stock Option holders

of Citycon to whom an offer is made. Any informational documents, including this announcement, are being disseminated to U.S. shareholders and Stock Option holders on a basis comparable to the method that such documents are provided to Citycon's other shareholders and Stock Option holders.

To the extent permissible under applicable law or regulations, the Offeror and its affiliates or its brokers and its brokers' affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time after the date of this stock exchange release and during the pendency of the Tender Offer, and other than pursuant to the Tender Offer, directly or indirectly purchase or arrange to purchase Shares or any securities that are convertible into, exchangeable for or exercisable for Shares, provided that any such purchases shall be effected outside of the United States. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, and the consideration in the Tender Offer must be increased to match any such consideration paid outside the Tender Offer. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders and Stock Option holders of Citycon of such information. In addition, the financial adviser to the Offeror may also engage in ordinary course trading activities in securities of Citycon, which may include purchases or arrangements to purchase such securities. To the extent required in Finland, any information about such purchases will be made public in Finland in the manner required by Finnish law.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of the disclosure in relation to the Tender Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. holder of Shares or Stock Options may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of Shares or Stock Options is urged to consult its independent professional advisers immediately regarding the tax and other consequences of accepting the Tender Offer.

To the extent the Tender Offer is subject to U.S. securities laws, those laws only apply to U.S. holders of Shares or Stock Options, and will not give rise to claims on the part of any other person. It may be difficult for Citycon's shareholders or Stock Option holders to enforce their rights and any claims they may have arising under the U.S. federal securities laws, since the Offeror and Citycon are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Citycon's shareholders or Stock Option holders may not be able to sue the Offeror or Citycon or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and Citycon and their respective affiliates to subject themselves to a U.S. court's judgment.

### **Forward-looking statements**

This release contains statements that, to the extent they are not historical facts, constitute "forward-looking statements". Forward-looking statements include statements concerning plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position, future



operations and development, business strategy and the trends in the industries and the political and legal environment and other information that is not historical information. In some instances, they can be identified by the use of forward-looking terminology, including the terms “believes”, “intends”, “expects”, “may”, “will” or “should” or, in each case, their negative or variations on comparable terminology. By their very nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Given these risks, uncertainties and assumptions, investors are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements contained herein speak only as at the date of this release.

**Disclaimer**

Evli Plc is acting as financial advisor to G City Ltd. and arranger in relation to the Tender Offer, and will not regard any other person than G City Ltd. as its client in relation to the Tender Offer and will not be responsible to anyone other than the G City Ltd. for providing the protections afforded to its clients nor for providing advice in relation to the Tender Offer or any other matters referred to in this release.